

BOARD OF DIRECTORS' REPORT

31.12.2009

BOARD OF DIRECTORS' REPORT
on the Individual Financial Statements
for the year ended December 31, 2009

BRD – Groupe Société Générale is set-up as a joint-stock company, Romanian legal person with full private equity, headquartered in Bucharest.

The financial results obtained by BRD in 2009 place the bank on a favourable position in the top of credit institutions, and confirm its solidity in a context of deep economic crisis. These results translate in a net banking income of RON 3,416 mil., up by 2.8% as compared to last year. This propitious evolution has been the consequence of both the increase in the interest margin and commissions, and the implementation of measures aimed at controlling the general expenses, in anticipation of the extent of the economic crisis.

The Romanian Economic Environment

- The economic growth has been interrupted for the first time since 2000, the economic activity decreasing by 7.2% in 2009;
- The decrease in economic activity was mainly caused by the reduction of consumption, given the increasing uncertainties as to the length and negative effects of the global economic crisis;
- The consumer price index was of 4.74% at the end of 2009, as compared to 6.30% in December 2008, remaining nevertheless above the upper limit of the variation interval around the 3.5% target set by NBR;
- The RON/EUR rate of exchange had a high volatility in 2009, closing the year at 4.2282 against 3.9852 as at December 31, 2008, the annual depreciation of the national currency being of 6.09%;
- In this context, the National Bank of Romania gradually decreased the monetary policy interest rate, which reached 7.5% in December 2009 as compared to 10.25% at the beginning of the year, considering the diminishing of the minimum legal reserves;
- Throughout 2009, the National Bank of Romania cut down the rate of the minimum legal reserves from 18% to 15% for the local currency, and from 40% to 25% for foreign currencies.
- In their turn, the credit institutions adapted both their credit policies and strategies to the new coordinated imposed by the evolution of the economic crisis.
- During 2009, the Bank Deposits Guarantee Fund harmonised the legal framework with the European one, by introducing new reporting constraints aimed mainly at diminishing the period of payment of compensations to guaranteed depositors. By the new normative framework, the ceiling for the guarantee of the juridical persons' deposits was increased to EUR 50,000 in equivalent, per depositor and credit

institution, and starting with July 1st, 2009 the deposits made by the mutual aid funds were included in the guaranteed deposits category. The credit institutions' contribution to the Fund was maintained at 0.2% of the total guaranteed deposits.

BRD's Commercial Activity in 2009

In 2009, BRD had a commercially balanced development, maintaining its number of customers over 2.5 million and its agency network over 930. Its main concern consisted in maintaining the profitability of the operations in the context of a low demand for banking products and services.

The effects of the economic crisis on the banking system and, consequently, on BRD, were the following:

- The considerable decrement of the volume of banking operations, especially of the production of loans;
- The increase of the Bank's participation in the public sector financing;
- A net qualitative depreciation of the assets, translated especially in the significant augmentation of the provisions for past due and litigious receivables.

BRD continued to support the Romanian economy, being present on all market segments. Thus, the credit portfolio includes products destined to both small and medium-sized enterprises, and to the corporate field, with a significant evolution in public sector lending. Note that on the retail market segment, BRD's active participation in the "Prima Casa" programme.

The comparative evolution of customer operations in 2009 as compared to 2008 can be synthesised as follows:

Corporate

	<u>31.12.2008</u>	<u>31.12.2009</u>	<u>2009/2008</u>
	(mill RON)	(mill RON)	%
➤ Deposits	15,672	14,919	- 4.8
➤ Loans	16,482	17,211	+ 4.5

Retail

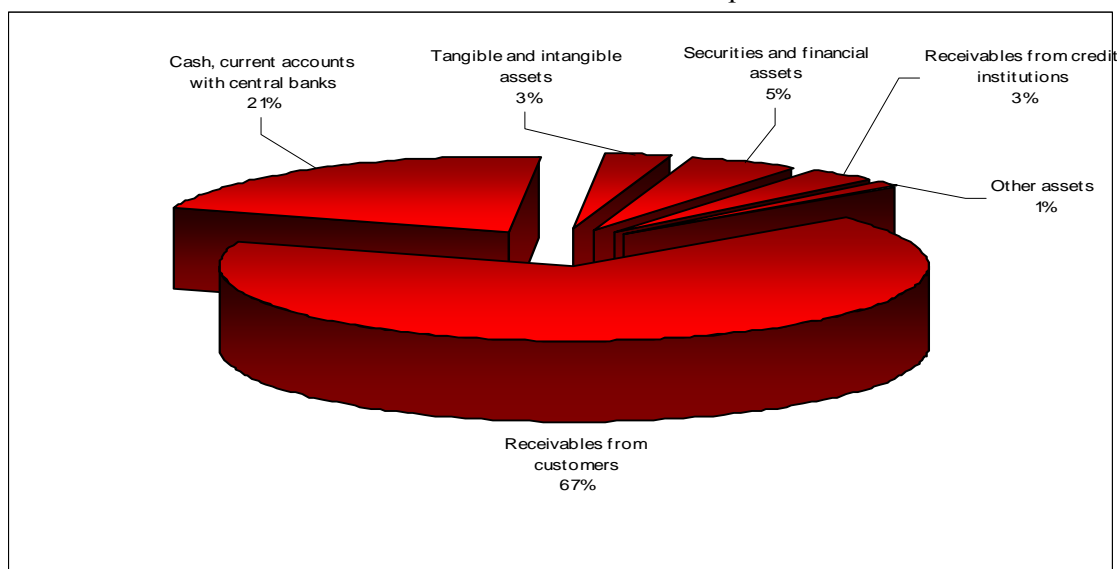
	<u>31.12.2008</u>	<u>31.12.2009</u>	<u>2009/2008</u>
	Mill. RON	Mill. RON	%
➤ Deposits	13,055	14,606	+ 11.9
➤ Loans	15,783	16,038	+ 1.6

Balance sheet asset

The balance sheet asset as at 31.12.2009 decreased by 6% as compared to last year, the evolution of the main items being presented here below:

Mil. RON			
Assets	December 31, 2008	December 31, 2009	2009/2008 %
Amounts receivable from customers	31,521	30,745	-2%
Cash, current accounts with the central bank	14,254	9,846	-31%
Tangible and intangible assets	1,627	1,401	-14%
Securities and Financial Assets	936	2,276	143%
Amounts receivable from credit institutions	522	1,600	207%
Other assets	380	478	26%
Total asset	49,240	46,346	-6%

The structure of the balance sheet asset at the end of 2009 is presented below:



Amounts receivable from customers

The amounts receivable from customers, of RON 30,745 mil., stand for 67% of the total banking operations in the balance sheet.

Cash in hand and cash with the Central Bank

The cash and cash equivalents of the Bank, including the cash in hand and the cash with the Central Bank, represent 21% of the total balance sheet and dropped by 31% as compared to 31.12.2008. This drop is mainly caused by the reduction of the minimum legal reserve with the National Bank of Romania.

Securities and Financial Assets

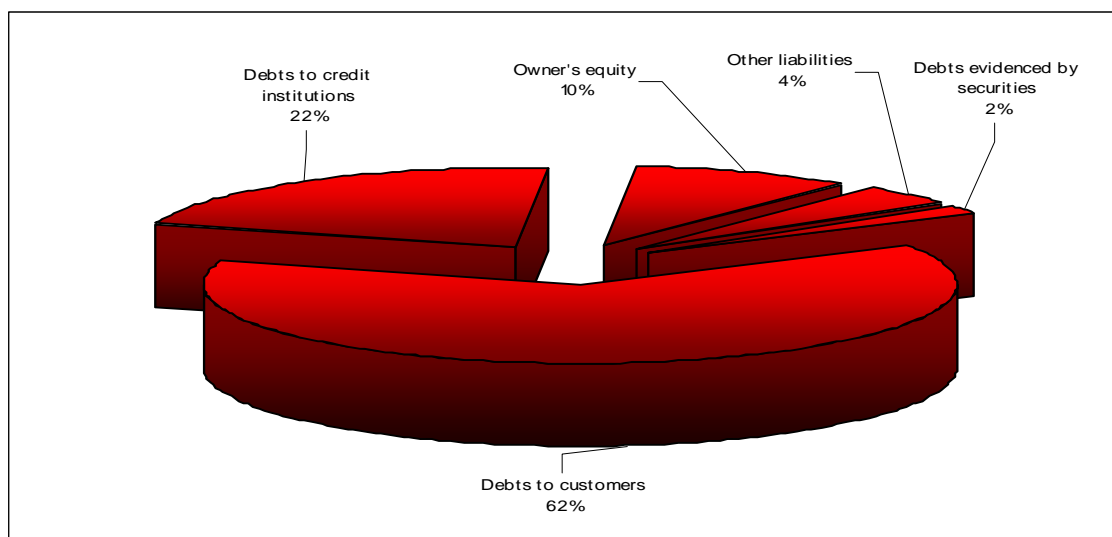
The significant growth of these asset items is determined by the increase of the portfolio of public bonds. Their value as at December 31, 2009 is RON 2,276 million compared to RON 936 million at the end of last year.

Balance sheet liabilities

The 2008/2009 comparative statement of balance sheet liabilities is presented here below:

Liabilities	December 31, 2008	December 31, 2009	2009/2008 %
Debts to customers	28,866	29,271	1%
Debts to credit institutions	13,535	9,967	-26%
Owner's equity	4,397	4,454	1%
Other liabilities	1,707	1,919	12%
Debts evidenced by securities	735	735	0%
Total liabilities	49,240	46,346	-6%

As at 31.12.2009, the balance sheet liabilities had the following structure:



Customer operations

These operations stand for 62% of the total balance sheet liabilities and went up by 1% as against last year. At 31.12.2009, they amounted to RON 29,271 mil., including:

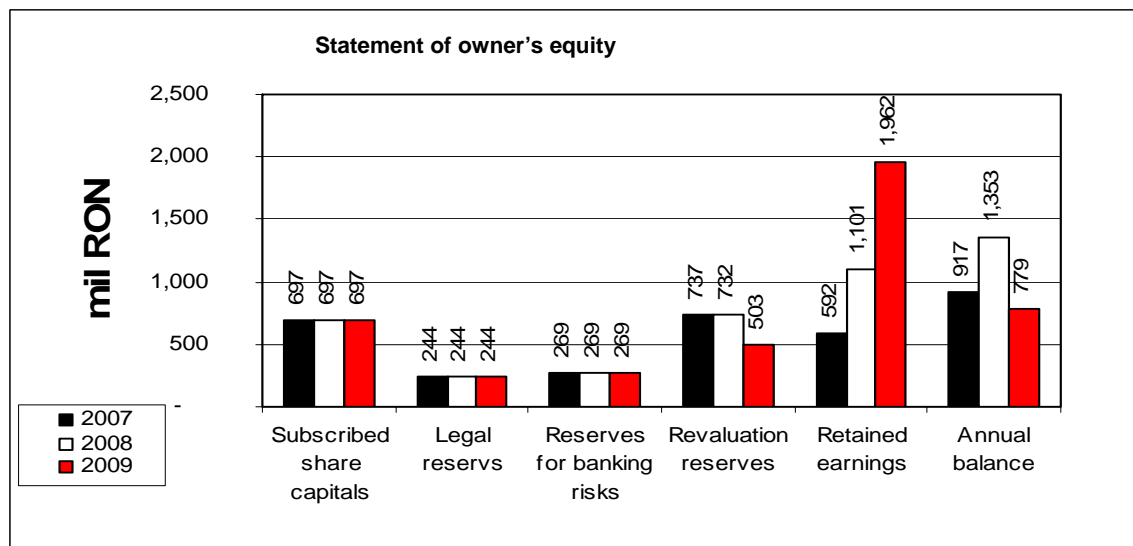
	Mil. RON		
	December 31, 2008	December 31, 2009	2009/2008 %
Debts to customers			
Term deposits of the customers	12,598	14,770	17%
Cash and deposits on demand of the customers	15,077	13,514	-10%
Collateral deposits	975	860	-12%
Loans and other due amounts	216	127	-41%
Total	28,866	29,271	1%

Debts evidenced by securities

Debts evidenced by securities represent 2% of the balance sheet liabilities and include the bonds issued in 2006.

At December 31, 2009, the owner's equity amounted to RON 4,454 mil., standing for 10% of the balance sheet, up by 1% compared to last year.

The evolution of the items making up the owner's equity in the period 2007-2009 is presented here below:



	December 31, 2008	December 31, 2009	2009/2008 (%)
Net banking income, out of which:	3,323	3,416	2.8
- Interest margin*	1,348	1,609	+19.4
- Commissions	1,233	1,297	+5.2
General expenses	-1,275	-1,456	15.0
Gross operating income	2,048	1,960	-4.2
Net cost of risk**	433	1,019	+135.3
Gross income	1.615	941	-42.0
Income	1.353	779	-42.0

* The difference between interest incomes and interest expenses.

**Expenses and reversals of provisions for commercial business, off-balance sheet provisions included, other provisions for risks and charges

The net banking income of BRD at the end of 2009 was of RON 3,416 mil., up by 2.8% as compared to last year. The first 2 quarters of the year were characterised by a moderate growth of this indicator, as a result of a limited business volume (loans, means of payment, cash operations, etc.). In the second half of the year, the net banking income improved significantly especially due to the increase in the interest margin, which at the end of 2009 was up by 19.4% compared to December 2008.

The net risk cost in the current year increased as compared to 2008, still, it was below the banking system average but affected the net income which, at December 31, 2009, was of RON 780 mil., down by 42% against 2008.

Synthesis ratios:

The performances and financial position in 2009 can be synthesised by means of the following ratios:

		2008	2009
Intermediation margin*			
- global	%	3.3	3.5
- lei	%	4.8	5.3
- foreign currency	%	1.8	1.9
Return on equity (ROE)**	%	39.7	19.5
Operating ratio***	%	38.4	42.6
Capital adequacy (solvency)	%	9.38	12.7
Bad loans / total loans ratio	%	1.31	4.7
Net cost of commercial risk / total gross loans	%	1.36	3.1

* Ratio between the interest margin and the average balance of interest-bearing assets

** Ratio between the net income and the owner's equity average

*** General expenses / net banking income

Corporate Governance

Board of Directors

The Board of Directors of the Bank is made up of 11 members elected by the General Meeting of the Shareholders in 2009, and chaired by Mr. Patrick Gelin, elected chairman on October 16, 2004. As of January 1, 2010, the Chairman of the Board of Directors is Mr Guy Marie Charles Poupet.

The Board of Directors approves the development strategy and the organisational structure of the Bank, sets the main business directions of the Bank and monitors their implementation. According to the Articles of Incorporation of the Bank, the Board of Directors examines the strategic orientation of the Bank, the investment plan, and decides on the changes in the management structure, as well as on the operations that could have a significant impact on the results of the institution, the structure of the balance sheet and the risk profile.

The Board of Directors meets any time it is necessary, but at least once every 3 months.

In 2009, the Board of Directors had the following structure:

Name	Positions held
Patrick GELIN	Chairman of the Board of Directors CEO of BRD Chairman of the Board of Directors of BRD Finance IFN S.A. Member of the Board of Directors of ALD Automotive SRL Member of the Board of Directors of BRD Societate de Administrare a Fondurilor de Pensii Private SA Chairman until 30.11.2009, then member of the Board of Mobiasbanca – Groupe Société Générale S.A. Member of the Foreign Investors Council Vice-Chairman of the Association ASPEN Chairman of the Board of the Foundation “Fracofonia” Honorific member – Chairman of the Romanian Section for Foreign Trade Consultants (CCE) of the Romanian Chamber of Commerce, Industry and Agriculture (CCIFER)
Petre BUNESCU	Member of the Board of Directors of BRD Deputy CEO of BRD First Vice-Chairman of the Romanian Banking Association Member of the Board of Directors of Transfond S.A.
Sorin-Mihai POPA	Member of the Board of Directors of BRD Deputy CEO of BRD Member of the Board of Directors of BRD Sogelease IFN S.A. Member of the Board of Directors of BRD Societate de Administrare a Fondurilor de Pensii Private SA Member of the Board of Directors of BRD Asigurări de Viață S.A.
Didier ALIX	Member of the Board of Directors of BRD Deputy CEO of Société Générale
Bogdan BALTAZAR	Member of the Board of Directors of BRD
Aurelian DOCHIA	Member of the Board of Directors of BRD
Anne FOSSEMALLE	Member of the Board of Directors of BRD Regional Manager for Eastern Europe, EBRD
Jean – Louis MATTEI	Member of the Board of Directors of BRD CEO of International Retail Banking
Dumitru POPESCU	Member of the Board of Directors of BRD
Sorin Marian COCLITU	Member of the Board of Directors of BRD Chairman – General Manager of the Romanian Loan Guarantee Fund for Private Entrepreneurs
Ioan CUZMAN	Member of the Board of Directors of BRD Chairman of SIF Banat Crișana

The members of the Board of Directors are bound to declare to the Bucharest Stock Exchange and the National Securities Commission the transactions (purchases or sales) they perform with the Bank-issued securities.

Management Board

The Management Board is made up of 5 executive officers: The Chief Executive Officer and four Deputy Chief Executive Managers, elected by the Board of Directors among its members or from the outside.

The executive officers are in charge of taking all the measures incumbent on the company management, within the limits of the company object and in compliance with the powers exclusively reserved by law to the Board of Directors and the General Meeting of the Shareholders.

Each executive officer is vested with all the powers to act on behalf of the Bank and represent it in relationships with third parties, in any circumstances related to the activities they coordinate according to the organisational chart, while respecting the legal provisions and the Articles of Incorporation.

In 2009, the Managing Board had the following members:

Name	Position
Patrick GELIN	CEO of BRD
Petre BUNESCU	Deputy CEO of BRD
Sorin-Mihai POPA	Deputy CEO of BRD
Herve BARBAZANGE	Deputy CEO of BRD
Claudiu CERCEL DUCA	Deputy CEO of BRD

Audit Committee

The Audit Committee is a permanent committee, independent from the bank management, and has a consultative function.

It is directly subordinated to the Board of Directors and its members are appointed by the latter.

It is made up of 3 members of the Board of Directors who do not have and have not had the capacity of bank managers.

The Audit Committee meets at least once a half-year.

The Audit Committee of the Bank had the following members in 2009:

Name	Position
Jean – Louis MATTEI	Member of the Board of Directors of BRD Chairman of the Audit Committee
Aurelian DOCHIA	Member of the Board of Directors of BRD Member of the Audit Committee
Sorin Marian COCLITU	Member of the Board of Directors of BRD Member of the Audit Committee

The main responsibilities of the Audit Committee are: to analyse, independently from the Bank management, the pertinence of the accounting methods and of the internal information collection procedures, to assess the quality of the audit and of the internal control and, if necessary, to propose measures, as well as to perform specific analyses requested by the Board of Directors.

Financial Auditor

The financial statements of the Bank are certified by an independent auditor. The appointment of the external auditor is approved by the General Meeting of the Shareholders.

The company in charge of certifying the financial statements of BRD, prepared for the financial year ended at December 31, 2009, is Ernst & Young Assurance Services SRL.

Risk Management Committee

It is a permanent committee that manages significant risks, risks with high impact on the patrimony and/or image of the bank (credit risk, market risk, liquidity risk, operational risk, and reputational risk), as well as the risks associated to outsourced activities.

The members of the Risk Management Committee are appointed by the Board of Directors of the Bank.

The Risk Management Committee is chaired by the CEO of the Bank and meets on a quarterly basis or any time it is necessary.

Credit Committee

It is set up both in the Headquarters and in the Groups within the Network.

The members of the Credit Committee in the Headquarters are appointed by the Management Board.

The Credit Committee, both in the Headquarters and in the Groups within the Network, is in charge of examining, approving and validating the loans and other commitments within the limits of their delegated powers.

The credit Committee meets every week or any time it is necessary.

Internal Control Committee

The Internal Control Committee is a permanent committee without power of decision. The members of the committee are appointed by the Managing Board, and the meetings of the Internal Control Committee are held on a quarterly basis.

The Internal Control Committee has as main mission to analyse the problems related to the permanent and periodic controls: credit risks, operational risks, non-compliance risks, Business Continuity Plans, permanent supervision, audit and inspection, under their different aspects: organisation, activity, problems occurred in performing the controls, etc.

Assets and Liabilities Committee

The members of the Assets and Liabilities Committee are appointed by the Management Board and have the following main attributions: analyse and propose measures regarding the policy of attracting resources, making placements and efficiently managing the assets and liabilities of the Bank.

The Committee meets on a monthly basis or at any time this is necessary. Its meetings are chaired by the Chairman – CEO.

Relationship with the shareholders / investors

BRD – Groupe Société Générale is concerned with offering all the shareholders and financial analysts thorough, regulated, homogeneous and high-quality information, in compliance with the best practices of the market and with the recommendations of the stock market authorities.

In compliance with the rules applied to security issuers and in line with the financial communication strategy of the Société Générale Group, BRD publishes this year a financial communication calendar.

This document, communicated to the Bucharest Stock Exchange and to the National Securities Commission, specifies all the financial reporting dates of the Bank.

The General Meeting is an occasion for the shareholders to enquire directly on the activity of the Bank, to participate in the debates and to express themselves with regard to the decisions submitted to approval. At the end of the General Meetings that approve the annual financial results, the Bank gives a press release.

Every year, the Bank organises a press conference to present the results, on which occasion the journalists, the financial analysts and investors may obtain information regarding the performances of the Bank and its development policy.

The financial calendar, the presentations and all the quarterly, half-yearly and annual reportings may be consulted on the institutional site: www.brd.ro

The BRD policy regarding financial information relies on three principles:

- Guaranteeing equal rights, and immediate availability of information for all the shareholders;
- Complying with the legal terms regarding the publication of results;
- Transparency of the transmitted information.

Any financial or other information deemed likely to influence the stock exchange quotation is subject to a press release made available to the investors through the Bucharest Stock Exchange and the National Securities Commission.

Risk Management

General framework

The Bank has a prudential risk approach, according to its long-term strategy. The risk management policies and activities are created according to the Société Générale practices and focus on identifying and evaluating the risks as soon as possible. One of the main objectives of risk management is to efficiently manage the risk profile/ bank's reward ratio in order to optimize the profitability adjusted with the risk rate. The Bank implements this approach through a risk management function which is independent from the commercial structures.

Risk management

The risk management strategy is set by the Board of Directors. A part of the responsibilities of the Board of Directors are delegated to: the Risk Management Committee, the Internal Control Committee and the Assets and Liabilities Committee.

The risk management function operates on two areas:

- Transversal risk management, extended to the territorial and departmental levels;
- Risk control, enforced by the Central Risk Control Department.

Credit Risk

The credit risk is the risk that a counterparty or an issuer may not be able to meet their obligations towards the Bank and, also, that their financial soundness may deteriorate.

The credit risk approval process relies on the following principles:

- All the credit facilities from which the commercial counterparties benefit are authorised in advance;
- The authorisation requests related to a certain customer/group of customers are processed in a centralised manner by specialised efficient structures (CLICOM, CLIPRI back-office structures). These structures are designated to ensure a unitary approach of risk management and a permanent control of exposure by customer / group of customers.
- An internal counterparty rating is attributed or updated upon the approval of each loan; The rating is an important factor in using the new facilities;
- The responsibility for analysing and approving the risk is granted according to the internal system of delegation of powers;
- Risk assessment is independent at each decision-making level.

Credit risk management within the Bank is well integrated in the risk management procedures within the Group. The principles used in credit risk management may be synthesised as follows:

- The need to have the new risk-generating products and activities checked and approved by the Bank management;
- Using well-defined credit approval criteria, depending on the type of customer, including both the detailed knowledge of the customer, and the purpose and structure of the loan, as well as the repayment source. In the case of companies, for each transaction, the Bank assesses each product and service offered. In the case of individuals and small and medium-sized enterprises, the Bank assesses whether collaterals or personal securities are needed in order to mitigate the credit risk;
- The existence of well formalised procedures both for the approval of new loans and for the extension of the current ones, including a clear system of powers of approval;
- The continuous monitoring of exposures, including sole debtors;

- The periodical monitoring and reporting to the bank management of the global quality of the credit portfolios;
- The periodical independent verification of the lending activity by the Internal Audit Department and the Central Risk Control Department;
- Using a system for identifying and managing bad loans and other different aspects related to this activity, by using objective indicators.

The main exposure of the Bank to the credit risk is generated by the extended loans, other credit facilities and the guarantees issued. The Bank is also exposed to the credit risk (generated by the replacement risk or the delivery risk) through various other financial assets, including through financial investments (interest-bearing debt instruments), deposits with other banks and other financial assets (securities and derivative instruments).

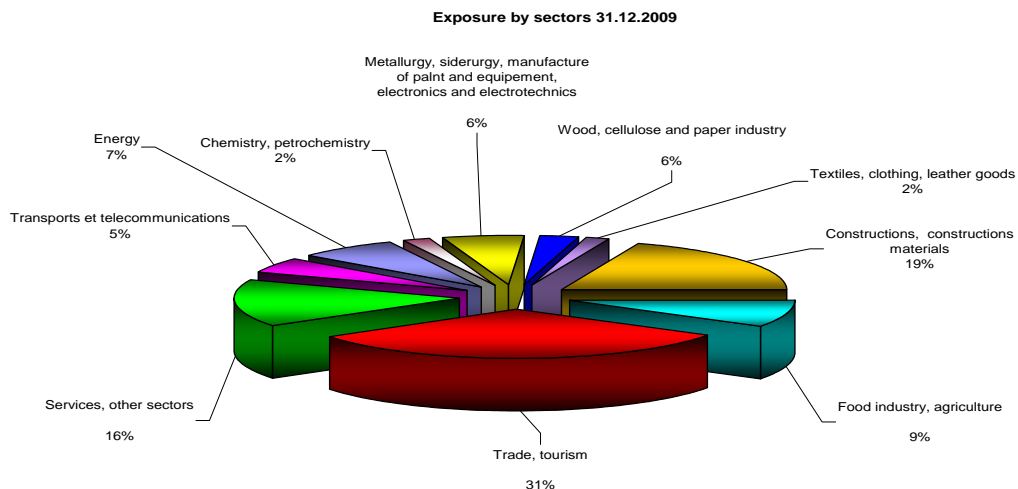
Portfolio Analysis

As at December 31, 2009, out of the total commitment portfolio of the Bank, the corporate customers represented 22.03%, small and medium-sized enterprises (SMEs) 37.98%, and private customers 39.99 %.

Out of the total loans to private customers, 79.60% were consumer loans (mortgage-backed loans included), while real estate and mortgage loans represented 20.40%.

Regarding the quality of the balance sheet commitment portfolio as at 31.12.2009, the Doubtful and Loss categories (according to the NBR regulations) represented 10.68 % of the total, as compared to the weight of 15.25 % in the total banking system at the same date.

The banking exposure on the corporate and SME segments (including the commitments arising from letters of guarantee issued, letters of credit, financing commitments and guarantee commitments) by industry/business field is presented below:



Market Risk

The market risk is the risk that price variations on the financial markets may change the value of the proprietary trading portfolio of the Bank. The monitoring of the market risk concerns its main components, including the interest market risk, the rate of exchange risk, the pricing risk, the volatility risk and the correlation risk.

For the monitoring of the various components of the market risk, the Bank defined a control system based on exposure limits, stress-test scenarios and VaR. The limits are permanently monitored, any overrun being justified and approved. The bank management is periodically informed on such overruns.

The risks generated by customer operations are covered, either individually or for each portfolio, by the Financial Markets Division. Nevertheless, given the strategic orientation of the Bank, the proprietary trading portfolio is not material. The risks generated by the proprietary trading portfolio are monitored by RISC on a daily basis.

During 2009, the bank did not find any significant evolutions of the managed risk. The global policy of the Bank consisted in a prudential management of exposures and in a permanent adjustment of their levels, according to the evolutions of the economic and financial environment. The risk exposures and any potential overruns of the notified limits were permanently monitored and reported to the various committees of the Bank.

The Interest Rate Risk and Rate of Exchange Risk in Banking Book (Structural Risks)

The structural interest rate and rate of exchange risks generated by commercial activities, as well as by proprietary activities (owner's equity-related transactions, investments and bond issues) are covered, as much as possible, individually or by macro-cover techniques by the Financial Markets Division. Consequently, the structural interest rate and rate of exchange risks only act upon the residual positions remained open following the covers.

One of the most important tasks of the Assets and Liabilities Committee is to manage the sensitivity of the Bank's net assets to changes in the market rates. The main instrument used in managing the interest rate risk in the banking book is the gap analysis (by currencies) combined with a balance sheet built to measure sensitivity. The sensitivity of the updated net balance sheet value in the case of the market rates variation is computed and compared to the limits in force. The compliance with such limits is checked on a monthly basis. Anticipating the customers' behaviour plays an important part in the methodology used, being relevant especially in the case of demand and term deposits, whose actual maturity is longer than the contractual maturity or in the case of mortgage loans when, because of the long tenors, the customer may decide to repay before the contractual due date.

For the foreign exchange position (commercial activity and proprietary trading), the Bank has a limit, which is daily monitored by RISC. Moreover, the Bank applies a VaR methodology to manage the risk of exchange. This methodology estimates the maximum potential losses in conditions of normal evolution of the market, but it does not include "catastrophe" scenarios. In order to attenuate the limitations of the VaR methodology, the Bank defined stress-test scenarios to deal with the effects of the catastrophe scenarios.

Liquidity Risk

The Bank defines the liquidity risk as the current or potential risk generated by the Bank's incapacity to face its payment obligations on their due date without incurring unacceptable losses.

The Bank manages liquidity at a centralised level, whether it's the current management or potential liquidity crises. The liquidity management of the Bank has two important tasks:

- Assessing the financing needs of the Bank, established based on the budgets and forecasts in order to develop the proper financing solutions;
- Crisis plans, including a continuous evaluation of the potential trends, events and uncertainties that could have a major impact on the liquidity position of the Bank.

As for the liquidity in foreign currency, the Bank's liquidity management is well integrated within the Group's.

The Assets and Liabilities Committee validates the basic principles for the organization and management of the liquidity risk, validates the Bank's financing programmes, examines the reports on the current and future liquidity positions, examines the liquidity crisis scenarios and proposes adequate actions to the Management Board.

Operational Risk

The operational risk represents the risk of losses caused by the inadequacy or the deficiencies of the internal procedures (inadequate or absent), the personnel's activity (errors, frauds), internal systems (improper or lack of internal controls, failures of the computer system) or by external events, including the events with a low probability of occurrence, but with a high risk of loss.

The operational risk thus defined also includes the legal risk. The reputational risk is included in the definition of the operational risk.

The steering of the operational risk aims at an efficient resource allocation in order to remedy any malfunctions found, to reduce the losses and to transmit to the Bank's management relevant information regarding the operational risks to which the Bank is exposed.

Proposals

Considering the aspects presented in this report, we submit for the approval of the General Meeting of the Shareholders of BRD:

- a) The individual financial statements of 2009, made up of:
- Balance sheet;
 - Profit and loss account;
 - Informative data;
 - Statement of non-current assets;
 - Statement of changes in equity;
 - Cash flow statement;
 - Accounting policies and explanatory notes;
- b) Allocation of the profit of RON 779,069,716. 68 as follows:

	RON
Dividends to shareholders	194,767,429.17
Retained earnings	584,302,287.51

Given the above, the evolution of the dividend per share is presented below:

		2008	2009	2009/2008 %
Dividend per share	RON/ share	0.72828	0.27947	-62%
Rate of allocation out of the distributable profit		37%	25%	

- c) Discharge of the Board of Directors

**CHAIRMAN OF THE
BOARD OF DIRECTORS**

GUY MARIE CHARLES POUPET

**HEAD OF THE
FINANCIAL DEPARTMENT**

JEAN-PIERRE TRAN QUAN NAM

DEPARTMENT 41
NAME OF THE CREDIT INSTITUTION: BRD GROUPE SOCIETE GENERALE
ADDRESS: BUCHAREST, 1st district
1-7 Ion Mihalache Bvd
PHONE: 301.68.25 FAX: 301.68.28
NUMBER WITH THE TRADE REGISTRY: J40/608/1991

FORM OF PROPERTY 34
BUSINESS (write the main business)
Other monetary intermediation activities
NACE Code 6419
SOLE REGISTRATION NUMBER 361579

BALANCE SHEET
as at December 31, 2009

- lei -

ASSETS	Position code	Note	Financial year	
			previous	ended
A	B	C	1	2
Cash and current accounts with Central Banks	010	2.1.	14,254,499,241	9,846,200,083
Treasury bills and other bills eligible for refinancing with Central Banks	020	2.2.	756,913,667	2,088,070,784
- treasury bills and similar securities	023		756,913,667	2,088,070,784
- other bills eligible for refinancing with Central Banks	026		0	0
Loans and advances to credit institutions	030		521,500,322	1,599,909,535
- on demand	033	2.3.a	188,360,322	216,408,226
- others	036	2.3.b	333,140,000	1,383,501,309
Loans and advances to customers	040	2.4.	31,521,074,668	30,744,792,444
Bonds and other fixed-income securities	050	2.5.	3,500,000	3,500,000
- issued by public bodies	053		0	0
- issued by others, out of which:	056		3,500,000	3,500,000
- own-debt securities	058		0	0
Shares and other variable yield securities	060	4	49,204,188	53,563,943
Equity investments, out of which:	070	2.6.	59,401,222	59,401,222
- equity investments in credit institutions	075		29,017,185	29,017,185
Investments in affiliated undertakings, out of which:	080	2.7.	66,594,348	71,645,029
- Investments in credit institutions	085		0	0
Intangible assets, out of which:	090		56,989,658	79,139,911
- set-up costs	093		0	0
- goodwill, if acquired for good and valuable consideration	096		4,503,329	0
Tangible assets, out of which:	100		1,569,835,659	1,321,987,959
-land and buildings for the operating activity	105		1,265,139,921	1,013,110,217
Share capital subscribed and not paid in	110		0	0
Other assets	120	2.8.	105,483,616	143,760,468
Prepaid expenses and accrued income	130	2.9.	274,624,173	334,294,941
Total Assets	140		49,239,620,762	46,346,266,319

DIRECTOR,
Last and first names
GUY MARIE CHARLES POUPEY

Signature

Unit stamp

PREPARED BY**

Last and first names¹ ADINA ILEANA
RADULESCU
Capacity² Head of General
Accounting Division

Signature

Registration no. with
the professional body

* According to the classification in force as of 01.01.2008.

** Government Ordinance no. 65/1994 regarding the organisation of forensic accounting and of certified public accountants, republished

¹ Annual financial statements are signed by the authorised persons, and also include their name in print.

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BALANCE SHEET
as at December 31, 2009

- lei -

LIABILITIES	Position code	Note	Financial year	
			previous	ended
A	B	C	1	2
Amounts owed to credit institutions	300	2.10.	13,534,841,743	9,967,109,277
- on demand	303		2,106,211,058	974,214,044
- at term	306		11,428,630,685	8,992,895,233
Amounts owed to customers	310	2.11.	28,866,378,549	29,271,144,409
- deposits, out of which:	313		16,014,383,220	18,479,864,650
- on demand	314		2,462,666,058	2,849,788,917
- at term	315		13,551,717,162	15,630,075,733
- other liabilities, out of which:	316		12,851,995,329	10,791,279,759
- on demand	317		12,666,171,476	10,664,429,414
- at term	318		185,823,853	126,850,345
Debts evidenced by certificates:	320	6	735,000,000	735,000,000
- interbank debts evidenced by certificates, bonds, outstanding negociable debt securities	323		735,000,000	735,000,000
- other securities	326		0	0
Other liabilities	330	2.14.	338,776,876	494,109,607
Deferred income and accruals	340	2.15.	496,124,941	483,795,867
Provisions , out of which:	350	8	74,565,038	95,456,479
- provisions for pensions and similar obligations	353		13,904,101	31,727,555
- provision for taxes	355		2,016,865	2,016,865
- other provisons	356		58,644,072	61,712,059
Subordinated debt	360		797,040,000	845,640,000
Share capital	370		696,901,518	696,901,518
Share premium	380		0	0
Reserves	390		513,552,229	513,552,229
- legal reserves	392		244,156,714	244,156,714
- statutory or contractual reserves	394		0	0
- reserves for banking risks	396		269,358,296	269,358,296
- reserve for mutual aid	397		0	0
- mutual guarantee reserve	398		0	0
- other reserves	399		37,219	37,219
Revaluation reserves	400		731,916,133	502,889,119
Own shares (-)	410		0	0
Retained earnings				
- Profit	423		1,101,039,502	1,961,598,097
- Loss	426		0	0
Profit or loss for the financial year				
- Profit	433		1,353,484,233	779,069,717
- Loss	436		0	0
Distribution of the profit	440		0	0
Total liabilities	450		49,239,620,762	46,346,266,319

DIRECTOR,
Last and first names
GUY MARIE CHARLES POUPEL

Signature

Unit stamp

PREPARED BY**

Last and first names¹ ADINA ILEANA
RADULESCU
Capacity² Head of General
Accounting Division
Signature

Registration no. with
the professional body

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BALANCE SHEET
as at December 31, 2009

- lei -

OFF-BALANCE SHEET ITEMS	Position code	Note	Financial year	
			previous	ended
A	B	C	1	2
Contingent liabilities, out of which:	600		9,658,684,627	8,825,626,340
- acceptances and endorsements	603		7,465,379,437	6,125,768,595
- collaterals and pledged assets	606		2,135,235,887	2,465,237,206
Commitments, out of which:	610		3,602,201,455	3,818,299,451
- commitments of sale and repurchase	615		-	-

DIRECTOR,
Last and first names
GUY MARIE CHARLES POUPET

Signature

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PROFIT AND LOSS ACCOUNT
as at December 31, 2009

- lei -

Name of item	Position Code	Note C	Financial year	
			previous	ended
Interest and similar income, out of which:	010		4,026,442,987	4,466,833,207
- from bonds and other fixed income securities	015		645,059	7,220,527
Interest and similar expenses	020		2,141,768,407	2,455,461,088
Income from securities, out of which	030		13,046,314	2,120,510
- income from shares and other variable yield securities	033		0	0
- income from equity investments	035		13,046,314	2,120,510
- income from investments in related parties	037		0	0
Commission income	040		753,411,140	757,623,897
Commission expenses	050		93,888,312	96,071,186
Net profit / loss from financial operations	060		485,500,201	757,522,470
Other operating income	070		106,401,936	79,366,271
General administrative expenses	080		1,020,375,294	1,120,397,426
- Staff expenses, out of which:	083		566,263,617	637,544,301
- Salaries	084		417,634,974	464,750,489
- Social security, out of which:	085		116,787,566	133,561,880
- pension related costs	086		84,182,035	100,224,837
- Other administrative expenses	087		454,111,677	482,853,125
Value adjustments in respect of tangible and intangible assets	090		128,672,208	149,514,767
Other operating expenses	100		198,007,197	250,715,443
Value adjustments on receivables and provisions for contingent liabilities and commitments	110		2,024,057,922	2,939,707,069
Reversal of value adjustments on receivables and provisions for contingent liabilities and commitments	120		1,567,833,965	1,877,550,317
Value adjustments on transferable securities - non-current financial assets - investments and shares held in related parties	130		7,033,528	27,072
Reversal of value adjustments on transferable securities - non-current financial assets - investments and shares held in related parties	140		275,696,701	12,204,304
Profit or loss on ordinary activities				
- Profit	153		1,614,530,376	941,326,925
- Loss	156			
Extraordinary income	160			
Extraordinary charges	170			

Name of item	Position Code	Note C	Financial year	
			previous	closed
Result of the extraordinary activity				
- Profit	183		0	0
- Loss	186		0	0
Total income	190		17,688,508,890	16,476,717,325
Total expenses	200		16,073,978,515	15,535,390,400
Gross result				
- Profit	213		1,614,530,375	941,326,925
- Loss	216		0	0
Income tax	220		261,046,142	162,257,208
Other taxes	230		0	0
Net result for the year				
- Profit	243		1,353,484,233	779,069,717
- Loss	246		0	0

DIRECTOR,
Last and first names
GUY MARIE CHARLES POUPET

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STATEMENT OF CASH FLOWS
as at December 31, 2009 - example of indirect method -

- lei -

Name of ratio	Position code	Note	Financial year	
			previous	ended
Net Result	01		1,353,484,234	779,069,717
<i>Income items that do not generate cash flows regarding the operating activity</i>				
± set-up or accrual of adjustments for depreciation and of provisions	02		287,050,884	872,938,001
+ depreciation expenses	03		128,672,208	138,932,445
± other adjustments to the elements that do not generate cash flows	04			
± adjustments to the elements included in the investment or financing activities	05		-220,708,585	66,777,020
± other adjustments	06		313,900,712	175,328,174
Sub-total (lines 01 to 06)	07		1,862,399,453	2,033,045,357
<i>Changes in operating assets and liabilities after adjustments of elements that do not generate cash flows regarding the operating activity</i>				
± securities that are not financial assets	08		-697,980,254	-1,335,516,872
± receivables from credit institutions	09		-2,741,144,005	3,524,422,884
± receivables from customers	10		-6,834,238,111	95,661,554
± accrued receivables	11		-116,780,795	-212,948,203
± other operating assets	12		-44,721,634	98,303,508
± debts to credit institutions	13		8,344,199,259	-2,504,043,643
± debts to customers	14		1,595,061,842	404,765,860
± accrued debts	15		-9,094,866	1,361,958
± other operating liabilities	16		44,656,232	140,839,857
=- cash payments representing corporate tax	17		-228,133,529	-330,441,067
Cash flows from operating activities (lines 07 to 17)	18		1,174,223,592	1,915,451,193
Cash flows from investment activities				
- cash payments for the acquisition of subsidiaries or other sub-units	19		0	0
+ cash collections from the sale of subsidiaries or other sub-units	20		0	0
+ cash collections representing dividends received	21		13,046,314	2,120,510
=- cash payments for the acquisition of securities that are financial assets	22		-74,597,240	-5,050,682
+ cash collections from the sale of securities that are financial assets	23		306,451,566	0
+ cash collections representing interests received	24		0	0
- cash payments for the acquisition of land and fixed assets, intangible assets and other long-term assets	25		-208,101,069	-149,643,563
+ cash collections from the sale of land and fixed assets, intangible assets and other long-term assets	26		27,997,113	1,701,936
- other cash payments regarding investment activities	27		0	0
+ other cash collections regarding investment activities	28		0	0
Cash flows from investment activities (lines 19 to 28)	29		64,796,684	-150,871,799

Name of ratio	Position code	Note	Financial year	
			previous	ended
Cash flows from financing activities				
+ cash collections from debts made by securities and subordinated debts	30		0	0
- cash payments regarding debts made by securities and subordinated debts	31		0	0
+ cash collections from the issuance of shares	32		0	0
- cash payments for the acquisition of own shares	33		0	0
=+ cash collections from the sale of own shares	34		0	0
- cash payments representing dividends	35		-412,875,004	-506,741,712
- other cash payments regarding financing activities	36		-3,663,365,340	-1,909,328,823
+ other cash collections from financing activities	37		2,899,362,390	845,640,000
Cash flows from financing activities (lines 30 to 37)	38		-1,176,877,954	-1,570,430,535
Cash at the beginning of the period	39		2,213,061,632	2,275,203,954
± Cash flows from operating activities (line 18)	40		1,174,223,592	1,915,451,193
± Cash flows from investment activities (line 29)	41		64,796,684	-150,871,799
± Cash flows from financing activities (line 38)	42		-1,176,877,954	-1,570,430,535
± Effect of the variation of the rate of exchange on the cash	43			
Cash at the end of the period (lines 39 to 43)	44		2,275,203,954	2,469,352,813

DIRECTOR,
Last and first names
GUY MARIE CHARLES POUPET

Signature

Unit stamp

PREPARED BY*

Last and first names¹

Capacity²
Signature

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ADINA ILEANA
RADULESCU
Head of General
Accounting Division

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STATEMENT OF CHANGES IN EQUITY
as at December 31, 2008

- RON -

Equity item	Note	Balance as at January 1st	Increase		Decrease		Balance as at December 31
			Total, out of which:	by transfer	Total, out of which:	by transfer	
0	1	2	3	4	5	6	7
Subscribed capital		696,901,518					696,901,518
Capital premiums		0					0
Legal reserves		244,156,714					244,156,714
Reserves provided for by the articles of association or contracts		0					0
General reserve for credit risk		98,596,363					98,596,363
Reserve for general banking risk:		170,761,932					170,761,932
Revaluation reserves		736,853,378			4,937,245	4,937,245	731,916,133
Own shares (-)							0
Mutual aid reserve							
Mutual guarantee reserve							
Other reserves		37,219					37,219
Retained earnings							0
Profit not distributed		1,494,756,494			412,607,359		1,082,149,135
Loss not covered							
Retained earnings from first-time application of IAS, less IAS 29							
Credit balance							
Debit balance							
Retained earnings from correction of accounting errors							
Sold creditor							0
Sold debtor							0
Retained earnings representing surplus from revaluation reserves		19,255,976	4,937,244	4,937,244			24,193,220
Retained earnings from adopting accounting regulations compliant with European directives							0
Credit balance							0
Debit balance		5,302,853					5,302,853
Profit or loss for the year							
Credit balance			1,353,484,233				1,353,484,233
Debit balance							

Note:

Figures, as in the example above, must be accompanied by information regarding:

- nature of changes;
- tax treatment applied, where applicable;
- any other significant information.

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GUY MARIE CHARLES POUPEY

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Head of General Accounting

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STATEMENT OF CHANGES IN EQUITY
as at December 31, 2009

- lei -

Equity item	Note	Balance as at January 1st	Increase		Decrease		Balance as at December 31
			Total, out of which:	by transfer	Total, out of which:	by transfer	
0	1	2	3	4	5	6	7
Subscribed capital		696,901,518					696,901,518
Capital premiums		0					0
Legal reserves		244,156,714					244,156,714
Reserves provided for by the articles of association		0					0
General reserve for credit risk		98,596,363					98,596,363
Reserve for general banking risk:		170,761,932					170,761,932
Revaluation reserves		731,916,133	46,580,567		275,607,581	14,617,915	502,889,119
Own shares (-)							0
Mutual aid reserve							
Mutual guarantee reserve							
Other reserves		37,219					37,219
Retained earnings							0
Profit not distributed		1,082,149,135	1,353,484,233	1,353,484,233	512,846,406	5,302,853	1,922,786,962
Loss not covered							
Retained earnings from first-time application of IAS less IAS 29							
Credit balance							
Debit balance							
Retained earnings from correction of accounting errors							
Sold creditor							0
Sold debtor							0
Retained earnings representing surplus from revaluation reserves		24,193,220	14,617,915	14,617,915			38,811,135
Retained earnings from adopting accounting regulations compliant with European directive							
Credit balance							0
Debit balance		5,302,853			5,302,853	5,302,853	0
Profit or loss for the year							
Credit balance		1,353,484,233	779,069,717		1,353,484,233	1,353,484,233	779,069,717
Debit balance							

Note 1:

Figures, as in the example above, must be accompanied by information regarding:

- nature of changes;
- tax treatment applied, where applicable
- nature and purpose for which the reserves were created;
- any other significant information.

Note 2:

The changes in equity are presented for the two financial years, previous and current.

DIRECTOR,	PREPARED BY*
Last and first names	ADINA ILEANA RADULESCU
GUY MARIE CHARLES POUPET	Head of General Accounting
Signature	

Signature

Unit stamp

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**STATEMENT OF CHANGES IN EQUITY
as at December 31, 2008**

- RON -

	Note	Share capital	Capital premiums	Legal reserves	Profit or loss of the financial year	Other equity							Total equity		
						Reserves provided for in the articles of association or contracts	General reserve for credit risk	Reserve for general banking risks	Own shares (-)	Revaluation reserves	Mutual aid reserve	Mutual guarantee reserve		Retained earnings	Other equity
Balance at the end of the financial year 2007		696,901,518		244,156,714			98,596,363	170,761,932		736,853,378			1,508,709,617	37,219	3,456,016,742
Changes (increase or decrease), out of which:															0
- Increase of Share capital															0
- profit allocation for 2007													-412,607,359		-412,607,359
- allocations to reserves															0
- profit of 2008					1,353,484,233								0		1,353,484,233
- profit allocation for 2008															0
- surplus from revaluation of fixed asset										-4,937,244			4,937,244		0
- revaluation reserves for 2008															0
- other changes													0		0
Balance at the end of the financial year N		696,901,518		244,156,714	1,353,484,233		98,596,363	170,761,932		731,916,134			1,101,039,502	37,219	4,396,893,616

Note:

Figures, as in the example above, must be accompanied by information regarding:

- nature of changes;
- tax treatment applied, where applicable;
- any other significant information.

DIRECTOR,
Last and first names
GUY MARIE CHARLES POUPET

Signature

Unit stamp

PREPARED BY*

ADINA
ILEANA
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STATEMENT OF CHANGES IN EQUITY
as at December 31, 2009

- lei -

	Note	Share capital	Capital premiums	Legal reserves	Profit or loss of the financial year	Other equity								Total equity	
						Reserves provided for in the articles of association or contracts	General reserve for credit risk	Reserve for general banking risks	Own shares (-)	Revaluation reserves	Mutual aid reserve	Mutual guarantee reserve	Retained earnings		Other equity
Balance at the end of the financial year 2008		696,901,518		244,156,714	1,353,484,233		98,596,363	170,761,932		731,916,133			1,101,039,502	37,219	4,396,893,614
Changes (increase or decrease), out of which:															0
- increase of Share capital															0
- profit allocation for 2008													(507,543,554)		(507,543,554)
- allocations to reserves															0
- profit of 2008					(1,353,484,233)								0		(1,353,484,233)
- profit of 2009					779,069,717								1,353,484,233		2,132,553,950
- profit allocation for 2009															0
- surplus from revaluation of fixed assets										(14,617,915)			14,617,915		0
- revaluation reserves for 2009										#####					(214,409,099)
-cover in 2009 of the debit balance from applying the accounting regulations compliant with European directives													(5,302,853)		(5,302,853)
-other changes													5,302,853		5,302,853
Balance at the end of the financial year 2009		696,901,518		244,156,714	779,069,717		98,596,363	170,761,932		502,889,119			1,961,598,096	37,219	4,454,010,678

Note:

Figures, as in the example above, must be accompanied by information regarding:

- nature of changes;
- tax treatment applied, where applicable;
- any other significant information.

DIRECTOR,
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GUY MARIE CHARLES POUPEP
Signature

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STATEMENT OF NON-CURRENT ASSETS

40

- RON -

GROSS VALUE OF NON-CURRENT ASSETS	Cod pozitie	Sold initial	Cresteri	Reduceri		Sold final (col.5=1+2-3)
				Total	din care: dezmembrari si casari	
A	B	1(1)	2(2)	3(3)	4(4)	5(5)
INTANGIBLE ASSETS						
Goodwill	101	45,033,322	0	0	X	45,033,322
Set-up costs	102				X	0
Other intangible assets	103	82,150,851	59,518,175	0	X	141,669,026
Advances and intangible assets in progress	104	42,780,770	31,385,242	50,613,454	X	23,552,558
TOTAL (pos.101 to 104)	105	169,964,943	90,903,417	50,613,454	X	210,254,906
TANGIBLE ASSETS						
Land	106	109,549,304	6,997,844	54,469,109		62,078,039
Land improvements	107					0
Buildings	108	1,401,845,502	81,030,197	461,514,985	25,904,318	1,021,360,714
Plant and machinery	109	97,073,714	20,651,350	3,590,611	3,588,644	114,134,453
Measurement, control and adjustment devices	110	195,843,365	25,779,107	33,746,548	31,064,150	187,875,924
Means of transportation	111	25,766,863	21,870	3,608,699	243,931	22,180,034
Fixtures and fittings	113	237,063,537	49,221,939	8,278,387	3,826,735	278,007,089
Advances and tangible assets in progress	114	84,701,188	125,401,795	142,560,237	425,740	67,542,746
TOTAL (pos.106 to 114)	115	2,151,843,473	309,104,102	707,768,576	65,053,518	1,753,178,999
FINANCIAL ASSETS						
Public bonds and assimilated	116				X	0
Bonds and other fixed-income securities	117				X	
Investments in affiliated undertakings	118	66,843,942	5,050,682	0	X	71,894,624
Participating interests and portfolio activities	119	62,423,223	17,270	0	X	62,440,493
TOTAL (lines 116 to 119)	120	129,267,165	5,067,952	0	X	134,335,117
NON-CURRENT ASSETS - TOTAL (lines 105+115+120)	121	2,451,075,581	405,075,471	758,382,030	65,053,518	2,097,769,022

DEPRECIATION OF NON-CURRENT ASSETS	Position code	Initial balance	Depreciation during the year	Depreciation of retired non-current assets	Depreciation at year-end (col.9=6+7-8)
A	B	6(1)	7(2)	8(3)	9(4)
INTANGIBLE ASSETS					
Goodwill	131	40,529,993	4,503,329	0	45,033,322
Set-up costs	132				
Other intangible assets	133	72,445,292	13,636,381	0	86,081,673
TOTAL (pos.131 to 133)	134	112,975,285	18,139,710	0	131,114,995
TANGIBLE ASSETS					
Land improvements	135				0
Buildings	136	246,254,885	-169,265,888	6,660,461	70,328,536
Plant and machinery	137	53,098,325	15,360,054	3,409,360	65,049,019
Measurement, control and adjustment devices	138	163,314,540	30,466,008	33,738,995	160,041,553
Means of transportation	139	16,685,561	2,699,323	3,579,146	15,805,738
Fixtures and fittings	141	102,654,504	23,946,445	6,634,755	119,966,194
TOTAL (pos.135 to 141)	142	582,007,815	-96,794,058	54,022,717	431,191,040
DEPRECIATIONS - TOTAL (pos.134+142)	143	694,983,100	-78,654,348	54,022,717	562,306,035

PROVISIONS FOR NON-CURRENT ASSETS IMPAIRMENT LOSSES	Position Code	Initial balance	Provisions created during the year	Write-back of provisions	Final balance (col.13=10+11-12)
A	B	10(1)	11(2)	12(3)	13(4)
INTANGIBLE LOSSES					
Goodwill	151	0	0	0	0
Set-up costs	152	0	0	0	0
Other intangible assets	153	0	0	0	0
Advances and intangible assets in progress	154	0	0	0	0
TOTAL (pos.151 to 154)	155	0	0	0	0
TANGIBLE ASSETS					
Land	156	0	0	0	0
Land improvements	157	0	0	0	0
Buildings	158	0	0	0	0
Plant and machinery	159	0	0	0	0
Measurement, control and adjustment devices	160	0	0	0	0
Means of transportation	161	0	0	0	0
Fittings an fixtures	163	0	0	0	0
Advances and tangible assets in progress	164	0	0	0	0
TOTAL (pos.156 to 164)	165	0	0	0	0
FINANCIAL ASSETS					
Public bonds and assimilated	166	0	0	0	0
Bonds and other fixed-income securities	167	0	0	0	0
Investments in affiliated undertakings	168	249,595	0	0	249,595
Participating interests and portfolio activities	169	0	0	0	0
TOTAL (pos.166 to 169)	170	249,595	0	0	249,595
PROVISIONS FOR IMPAIRMENT LOSSES - TOTAL (pos.155+165+170)	171	249,595	0	0	249,595

DIRECTOR,
Last and first names
GUY MARIE CHARLES POUPET

Signature

Unit stamp

PREPARED BY**

Last and first names¹

Capacity²

Signature

Registration no. with
the professional body

ADINA ILEANA
RADULESCU
Head of General
Accounting Division

* According to the classification in force as of 01.01.2008.

** Government Ordinance no. 65/1994 regarding the organisation of forensic accounting and of certified public accountants, republished

¹ Annual financial statements are signed by the authorised persons, and also include their name in print.

² The capacity of the person who prepared the financial statements is filled in as follows:

- economic manager, chief-accountant or another person authorised to fill in this position, as per the law

OR

- natural or juridical persons, authorised according to the law, members of the Romanian Association of Chartered Accountants and Certified Public Accountants

INFORMATIVE DATA

30

- RON -

I. INCOME DATA	Position code	Number of units	Amounts
A	B	1	2
Units with profit	101	1	779,069,717
Units with loss	102	0	0

II. DATA ON OVERDUE PAYMENTS	Position code	Total col.2 + 3	of which:	
			For current business	For investment business
A	B	1	2	3
OVERDUE PAYMENTS – TOTAL				
(pos.202+206+212 la 216+221+222+227), of which:	201			
		0	0	0
Outstanding accounts payable – TOTAL (pos. 203 to 205),	202			
of which:		0	0	0
- more than 30 days	203	0	0	0
- more than 90 days	204	0	0	0
- more than 1 year	205	0	0	0
Arrears to national insurance fund – TOTAL (pos.207 to 211),	206			
of which:		0	0	0
- contributions to public social insurance, due by employers, employees and other assimilated persons	207	0	0	0
- contributions to social health insurance fund	208	0	0	0
- contribution to additional pension	209	0	0	0
- contributions to unemployment insurance budget	210	0	0	0
- other personnel-related debts	211	0	0	0
Arrears to special funds and other funds' budgets	212	0	0	0
Arrears to other creditors	213	0	0	0
Overdue taxes and fees to the State budget	214	0	0	0
Overdue taxes and fees to the local budgets	215	0	0	0
Received loans overdue TOTAL (pos.217 la 220), of which:	216	0	0	0
- arrears less than 30 days old	217	0	0	0
- arrears more than 30 days old	218	0	0	0
- arrears more than 90 days old	219	0	0	0
- arrears more than 1 year old	220	0	0	0
Overdue interests on received loans	221	0	0	0
Overdue cash deposits received - TOTAL (pos.223 to 226),	222*)			
din care:		0	0	0
- arrears less than 30 days old	223*)	0	0	0
- arrears more than 30 days old	224*)	0	0	0
- arrears more than 90 days old	225*)	0	0	0
- arrears more than 1 year old	226*)	0	0	0
Overdue interests on cash deposits received	227*)	0	0	0

III. AVERAGE NUMBER OF EMPLOYEES	Position code	December 31, last year	December 31, current year
A	B	1	2
Average number of employees	301	7,966	8,048

IV. PAYMENTS OF INTERESTS AND ROYALTIES	Position code	Amounts - RON -	
Gross income from interests paid by Romanian juridical persons to non-resident natural persons from the EU Member States, of which:	401	15,778,143	
- tax payable to the State Budget	402	0	
Gross income from interests paid by Romanian juridical persons to affiliated**) non-resident natural persons from the EU Member States, of which:	403	60,459,026	
- tax payable to the State Budget	404	6,046,062	
Income from royalties paid by Romanian juridical persons to affiliated non-resident juridical persons from the EU Member States, of which:	405	-	
- tax payable to the State Budget	406	-	

V. MEAL TICKETS	Position code	Amounts - RON -	
Counter-value of meal tickets given to employees	501	15,213,366	

VI. INNOVATION EXPENSES***)	Position code	Amounts - RON -	
		December 31, last year	December 31, current year
A	B		
- innovation expenses finalised during the period	601	0	0
¹ - innovation expenses finalising during the period	602	0	0
		0	0
- innovation expenses abandoned during the period	603		

*) to be completed by credit institutions only

**) For the statute of "affiliated juridical persons", there shall be considered the provisions of art.7 point.21 in Law no.571/2003 on the Tax regime, as further amended and completed.

***) Innovation expenses are determined according to the Commission Regulation no. 1450/2004, published in the Official Journal of the European Union, series L267/14.08.2004.

DIRECTOR,
Last and first names
GUY MARIE CHARLES POUPET

Signature

Unit stamp

PREPARED BY****

Last and first names¹

Capacity²

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ADINA ILEANA RADULESCU

Head of General Accounting

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General Information

BRD – Groupe Société Générale SA (“BRD” or the “Bank”), a joint-stock company with private equity, began its activity as a state-owned banking company at the end of 1990, by taking over the assets of the former Investment Bank.

Starting of March 1999, the Bank has been a member of the Société Générale Group, headquartered in 29 Boulevard Haussmann, 75009, Paris, France.

The Bank has its head office in Bucharest, 1-7 Ion Mihalache Boulevard, and is registered with the Trade Register as a joint-stock company.

The Bank operates as a sole business entity, with a high degree of homogeneity between its products and services, between the risks and the benefits generated by them, between the activities of the Bank and the corresponding legal regulations.

The Bank offers a wide range of services consisting in: demand and term deposits, deposit certificates, domestic and external market operations, extension of loans, cards operations and derivative financial instruments, as well as other banking services, both to corporate and private customers.

BRD holds stakes in Romanian and foreign companies, presented in detail in note 14 herein.

The structure of the Bank’s shareholders is the following:

BRD Shareholders	December 31', 2008		December 31', 2009	
	Number of shares (nominal value – 1RON)	%	Number of shares (nominal value – 1RON)	%
Société Générale	407,975,758	58.54%	413,721,288	59.37%
SIF Oltenia	38,409,928	5.51%	38,343,928	5.50%
SIF Muntenia	36,698,530	5.27%	36,698,530	5.27%
SIF Transilvania	34,962,840	5.02%	34,872,840	5.00%
SIF Moldova	34,845,218	5.00%	33,084,518	4.75%
European Bank for Reconstruction and Development (“EBRD”)	34,845,050	5.00%	34,845,050	5.00%
SIF Banat Crişana	32,379,237	4.65%	32,379,237	4.65%
Other shareholders	76,784,957	11.01%	72,956,127	10.46%
Total	<u>696,901,518</u>	<u>100%</u>	<u>696,901,518</u>	<u>100%</u>

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2009

(Amounts in RON unless otherwise specified)

BRD shares have been listed in the 1st category of the Bucharest Stock Exchange since January 15, 2001, and included in the BET and BET C indexes.

During 2009, the price of the share varied between a minimum of RON 3.73 (on 24.02.2009) and a maximum of RON 14.2 (on 24.11.2009).

The stock market capitalisation of BRD as at 31.12.2009 was of mn. RON 9,059.71 (calculated at the closing price of RON 13).

Basis of the presentation

BRD applies the Order no. 13/2008 of the National Bank of Romania for the approval of the Accounting norms in compliance with the European directives, applicable to credit institutions, as subsequently amended and completed, these financial statements being prepared according to the Accounting Law no. 82/1991, republished.

The financial statements include:

- Balance sheet;
- Profit and loss account;
- Statement of changes in equity;
- Cash flow statement;
- Accounting policies and notes to the financial statements.

The RON/EUR rates of exchange used in the financial statements are:

Rate as at Dec.31, 2008	3.9852
Rate as at Dec.31, 2009	4.2282

Note 1. Accounting principles, policies and methods

a) Cash, current accounts with Central Bank

The cash includes the cash on hand (Romanian and foreign banknotes and coins that are legal tender, including the ones in the ATMs and foreign exchange automatic machines - ASV), travellers' cheques bought and not remitted to the issuers for collection.

The current accounts with Central Bank represent the balances of the cash accounts with the central bank, the National Bank of Romania („NBR”), including the minimum legal reserve.

b) Public bonds and other securities accepted for refinancing at the central bank

This item includes treasury bills and debt securities on public bodies, issued in Romania, as well as the similar instruments issued abroad, where they are accepted for refinancing by the central bank of the country or countries in which the credit institution is set.

It also includes other securities accepted for refinancing by the central banks, i.e. the securities held in the portfolio, which were purchased from credit institutions or from the customers, if accepted as per the national legislation for refinancing by the central bank of the country or countries in which the credit institution is set.

The securities presented in this balance sheet item are the financial assets represented by a security, a public bond or a bond tradable on a regulated market, or any security, public bond or bond having been subject to a transaction for valuable consideration, knowingly made by two parties in normal commercial conditions.

The securities included in this item may be classified in trading securities, securities available for sale and securities held to maturity.

Trading securities

Trading securities are those securities mainly purchased to generate profit following the short-term fluctuations of the price or of the intermediary's margin. Securities are classified as trading securities if, irrespective of the reason for which they were purchased, they represent a part of a portfolio for which there is proof of a recent actual rhythm of obtaining short-term gains.

Public bonds classified as trading securities are initially evaluated at the acquisition cost, made up of the purchase price (the purchase expenses are not included).

After the initial recognition, trading securities are evaluated at their market value, and the differences from revaluation are entered in the accounting books under the incomes or expenses accounts, as applicable.

For the instruments for which there is no active market, the evaluation is made based on the generally accepted evaluation models or techniques, so as to ensure a reasonable expression of the market value.

The assignment of the trading securities is entered in the books at the sale price, and the differences between the sale price and the book value are entered in the incomes or expenses accounts, as applicable.

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2009

(Amounts in RON unless otherwise specified)

Transfers from the trading securities category to other categories (securities available for sale and securities held to maturity) are allowed only in rare situations, namely situations determined by singular, uncommon events and with a very low probability of reoccurrence in the near future. It is not allowed to reclassify securities from other securities categories as trading securities.

Securities available for sale

Securities available for sale are those securities, other than the ones representing fixed assets, which cannot be classified as trading securities or as securities held to maturity.

Securities available for sale are initially evaluated at the acquisition cost, made up of the purchase cost, including the acquisition expenses, and the interests computed for the elapsed period.

Where the acquisition price is different from the repayment price, the difference is amortized for the remaining life of the security, based on the expenses or incomes, as the case may be.

After the initial recognition, securities available for sale are revaluated at the lowest between the market value and the purchase cost. Provisions for depreciation are made for the negative difference between the two. The positive difference between the market value and the acquisition cost of the securities available for sale is presented in the explanatory notes. The securities available for sale are evaluated based on the evaluation techniques or, for the unquoted ones, based on the pricing models. These assets are evaluated by using models that can incorporate data obtained on the market and/or following presumptions regarding financial performance.

For fixed-income securities classified as securities available for sale, the receivables from the interests calculated for the period between their issuance and the acquisition time (the elapsed coupon) may be entered in the security accounts or in the corresponding related receivable accounts. In the latter case, the difference between the acquisition cost and the coupon for the elapsed period is entered in the corresponding security accounts.

Transfers from the category of securities available for sale to the category of trading securities are not allowed.

In the case of the transfer from the category of securities available for sale to the category of securities held to maturity, the net book value of such securities at the transfer date becomes their new purchase cost/price. This transfer can be made in the following cases:

- a change in the intention or capacity of the bank to hold such assets;
- two fiscal years have elapsed since the sale or reclassification of securities held to maturity, of significant amounts.

Securities held to maturity

Securities held to maturity are those securities for which BRD has the firm intention and capacity to keep until maturity. The classification of the securities in this category depends on:

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2009

(Amounts in RON unless otherwise specified)

- the conditions and characteristics of the financial asset; and
- the capacity and actual intention of the credit institution to hold such instruments until maturity.

A prior condition for a security to be classified as held to maturity is the assessment of the intention and capacity of the credit institution to hold such instruments until their maturity; this assessment must be made not only upon the initial purchase, but also at the closing of each financial year.

Securities held to maturity are recognized at the purchase time at their purchase price, including the purchase expenses.

They may be transferred to the category of securities available for sale following a change in the intention or capacity of the bank to hold until maturity the instruments in the category of securities held to maturity.

c) Amounts receivable from credit institutions

The amounts receivable from credit institutions represent placements of BRD in current accounts and deposits with other banks, as well as loans extended to credit institutions.

Only the amounts that may be withdrawn at any time without prior notice or the amounts for which a due date or a prior notice of 24 hours or one banking day was set are considered as amounts at sight.

d) Amounts receivable from customers

The amounts receivable from customers represent all the receivables, including those related to the factoring operations held over customers other than credit institutions.

The loans extended by BRD by disbursing the funds directly to the borrower are recorded in the balance sheet when such funds are made available to the borrower. Such loans are presented in the balance sheet at their value less the adjustments for depreciation

The interests receivable (calculated and not yet due) corresponding to the current year are calculated at the date of disbursement of the funds and are recorded in the accounting books on a monthly basis and on the due date of the operations, if the related funds are due during the month, in the "Related amounts receivable" accounts within the account groups, as counterpart of the income accounts.

e) Bonds and other fixed-income securities

This item includes bonds and other tradable fixed-income securities, issued by credit institutions or other companies or public bodies, if they were not entered under the asset position "Public bonds and other securities accepted for refinancing at the central bank".

Fixed-income securities are those securities that generate fix or determinable payments and that have a fixed maturity.

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2009

(Amounts in RON unless otherwise specified)

To bonds and other fixed-income securities, there are assimilated those securities having interest rate depending on certain specific factors, such as the interest rate on the inter-banking or European market.

The evaluation subsequent to the initial recognition is done depending on the classification established at the acquisition time, i.e. trading securities or securities available for sale.

f) Shares and other variable income securities

This item includes all the shares and other variable income securities that cannot be included in the asset positions “Participating Interests” or “Investments in affiliated undertakings”, and that can be entered as trading securities, securities available for sale or securities held to maturity. Fixed-income securities are those securities that do not generate fix or determinable payments and that do not have a fixed maturity.

Shares and other variable income securities are evaluated upon the entry in the patrimony at the acquisition cost.

Portfolio securities, such as shares and other variable income securities are deemed long-term investments, being held by BRD for a long period, without the right to interfere in the management of the company the securities of which it holds. After the date of the initial recognition, long term investments are evaluated at the current or going value, determined based on the financial condition of the issuer, the quotation of the security and other factors. For depreciations, value adjustments are made as the difference between the acquisition cost and the current or going value.

g) Derivative instruments

The bank performs transactions with derivative financial instruments, such as: forward, swap and foreign exchange options, as well as interest rate swaps.

The bank performs transactions with derivative financial instruments in order to cover the risks related to fluctuations in the interest rate and foreign exchange rates.

Derivative financial instruments are initially recognized in the balance sheet at their fair value when BRD performs transactions with such derivatives. Following the initial recognition, the derivative financial instruments are evaluated at their fair value, the positive values being recognized as assets, and the negative ones as liabilities, in the profit and loss account.

Derivative instruments are evaluated based on the data available on the market, the interest rates and the swap rates of exchange, the forward exchange contracts. The most used evaluation methods include swap models and forward prices, using the calculation of the current value.

h) Participating Interests

Participating Interests (Equity interests) represent shares and other variable income securities, other than the Investments in affiliated undertakings, held by BRD in the capital of other trading companies, the durable holding of which is deemed useful to the activity of the bank. These interests must meet one of the following conditions:

- a) Represent between 20% and 50% of the voting rights of the shareholders or partners;
- b) Represent less than 20% of the voting rights of the shareholders or partners, but the Bank shall exercise a significant influence (the right to participate, either directly or indirectly, in the financial and operational policy decisions of the company, without having exclusive or common control over such company).

Equity interests are evaluated at the purchase cost when entering the patrimony.

After recognition, participating interests are evaluated at the current or going value determined depending on the issuer's financial statements or on the quotation of the security and other factors.

For depreciations, adjustments are made, set as the difference between the historical cost and the current or going value.

i) Investments in affiliates

Investments in affiliates include the securities represented by shares and other variable income securities held by BRD in other companies, controlled in an exclusive manner (more than 50% of the voting rights of the shareholders or partners), included or likely to be included by global integration in a consolidated whole.

Investments in affiliated undertakings are evaluated at the acquisition cost when entering the patrimony. After the date of the initial recognition, immobilized securities are evaluated at the current or going value, determined according to the issuer's financial condition, to the quotation of the security and to other factors. For depreciations, adjustments are made, set as the difference between the historical cost and the current or going value.

j) Intangible assets

Intangible assets represent identifiable non-monetary assets, without a material support. They include: goodwill, set-up costs, other intangible assets (acquired computer applications, licences and other acquired rights), down-payments for intangible assets and intangible assets in progress.

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2009

(Amounts in RON unless otherwise specified)

BRD considers as goodwill and recognizes as asset any surplus of the acquisition cost above its part in the fair value of the identifiable assets and liabilities, acquired following the acquisition of a company, at the transaction date.

The goodwill resulting from the acquisition of Société Générale Bucharest on December 1, 1999, is linearly amortized over a 10-year period, starting from the acquisition time (December 1999). The Bank chose this policy in order to line up with the policy of the Société Générale Group.

Set-up costs, as well as other intangible assets are entered at the acquisition cost and linearly amortized over a 3-year period.

k) Tangible assets

Tangible assets are assets that:

- are held by the institution to be used in the delivery of services, for administrative purposes or to be rented to third parties, in compliance with the legal provisions specific to credit institutions;

and

- are used for a period longer than one year.

Tangible assets are initially evaluated at the acquisition cost. Subsequent expenses are recognized as a component of the asset under the form of investments made in the tangible assets, provided they result in improving their initial technical parameters and lead to future benefits, additional to those initially estimated.

All the other expenses ensuring the maintenance of the initial parameters are recognized in the profit and loss account.

Durations used in calculating the depreciation:

<u>Type of asset</u>	<u>Years</u>
Constructions	10-40
Computers and equipment	3-6
Furniture	10
Motor vehicles	5

A tangible asset is written-off when assigned or retired, when no other future economic benefit is expected from its further use.

Gains or losses from the transfer or retirement of a tangible asset are determined as the difference between the incomes from the sale of the fixed asset or of its components, and the non-amortized value and they are presented in the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2009

(Amounts in RON unless otherwise specified)

In case of total or partial destruction of tangible assets, the related receivable or compensatory amounts collected from third parties, as well as the purchase of new assets are distinct operations and recorded as such based on supporting documents.

Thus, the depreciation of the assets is entered at the time it is found, and the collection of the compensations is entered under incomes.

After the initial recognition as assets, for land, buildings and other tangible assets, the institution has adopted the alternative rule of evaluation of tangible assets, which consists in revaluating them at their fair value, based on evaluations made by qualified professionals. Thus, these assets are presented at the revaluated acquisition cost, less the accrued depreciation and any permanent depreciation accrued.

If a fixed asset is revaluated, then all the other assets in its group must be revaluated, except where there is no active market for the said asset.

Value growths are entered as surplus from revaluation, a component of own funds. Value decreases are deducted from the existing revaluation surplus of similar assets. If such a surplus does not exist or is insufficient, the value decreases corresponding to the revaluation are entered directly in the profit and loss account.

The revaluation surplus included in the own funds is directly transferred to other retained earnings when such surplus is realized. It is considered that the entire surplus is realized upon the retirement or the transfer of the asset.

All tangible assets, except for lands, are depreciated according to their useful life.

Starting 2005, from the point of view of useful life, the policy adopted by the bank was to line up the useful life of tangible assets to the policy of the group, in compliance with the normal service durations established according to the Catalogue on the classification of fixed assets and useful lives of fixed assets in terms of tax.

In terms of depreciation method, it was adopted the maintenance of the linear method in the books and, for tax purposes, it was applied the facility stipulated by the fiscal law in force on the accelerated depreciation of technological equipment, computers and peripherals thereof.

Assets in process are not depreciated before their release.

l) Debts to credit institutions

Debts to credit institutions are all the debts arising from banking transactions, to national or foreign credit institutions, whatever their name.

These debts are presented at the contractual value, updated with the related debts calculated for the current fiscal year.

m) Debts to customers

Debts to customers include the amounts owed to the customers, other than credit institutions.

Deposits mean exclusively the deposits that meet the conditions required to this effect by the legal provisions in force.

Interests owed, calculated and not yet due, corresponding to the current year, are calculated since the date of receipt of the funds and are entered in the accounting books on a monthly basis or at the due date of the operations if the related funds must be repaid during the month, in the account “Related debts” within the groups of accounts, as counterpart of the expense accounts.

n) Debts evidenced by securities

This item includes both the deposit certificates that are negotiable securities, and fixed-income bonds issued by BRD.

Bonds are initially recognized at their issuance value, and the issuance expenses are recognized during their entire life, being amortized on a monthly basis. The related debts are entered in the profit and loss account on a monthly basis.

o) Reserves

Reserve categories:

- Legal reserves;
- Statutory or contractual reserves;
- Reserves for banking risks;
- Revaluation reserves;
- Other.

Legal reserves are set-up from the profit of the bank, on an annual basis, within the quotas and limits set by the law. They can be used only in compliance with the law.

Statutory or contractual reserves are made from the net profit, according to the provisions of the memorandum of association.

The reserves for the banking risks include the general reserve for the credit risk (created by the end of the fiscal year 2003) and the reserve for general banking risks (created in the period 2004 – 2006). They may be used for the purposes stipulated by the legal provisions.

Revaluation reserves are made from the differences arising from the revaluation of tangible assets and cannot be distributed.

Other reserves are created in compliance with the legal provisions or with the decisions of the general meeting of the shareholders, according to the legal provisions.

The amounts registered in the balance carried forward, representing the surplus from revaluation reserves, are taxed when they change destination. Also, a tax is levied on the value of the amortisation of the surplus from revaluation used to cover subsequent depreciations.

p) Provisions

A provision is recognised when there is a present obligation arising from previous events and when it is probable that an outflow of resources embodying a future economic benefit is required to settle the obligation, and when a reliable estimate can be made with respect to the amount of the obligation. This obligation must be:

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2009

(Amounts in RON unless otherwise specified)

- legal or contractual – arising from a contract, from the legislation or from another effect of the law;

or

- constructive – arising from previously-set practices, from the bank policy or from inducing the partners to believe that the bank will honour its responsibilities.

The provisions for future losses from operations are not recognised.

Periodically, on the date of creation of the provisions, as well as when they lose their object, provisions are analysed and regularised.

q) Recognition of incomes and expenses

Incomes are recognized in the profit and loss account when there has been an increase of the future economic benefits, other than those resulting from the shareholders' contributions, corresponding to the increase of an asset or to the diminution of a liability, and this increase can be assessed in a credible manner.

Incomes from interests are calculated for all the interest-bearing assets recognised in the balance sheet.

Recognising the incomes from the commissions for the financial services delivered by the bank depends on their economic nature.

The accounting treatment applicable to the commissions for the financial services is set depending on the classification of the respective commissions, as follows:

- The commissions that are an integrant part of the actual interest rate of a financial instrument, collected in advance and recognised as an adjustment of the incomes from interests, by means of the linear method, throughout the life of the respective financial instrument;
- The commissions gained as and when the services are delivered, but collected in advance, and which are to be recognised in the income account as and when such services are delivered or during the commitment period;
- The commissions gained upon the fulfilment of a main contractual obligation are recognised as income when the service is delivered.

Expenses are recognised in the profit and loss account when there has been a reduction of the future economic benefits, on account of the diminution of an asset or of the increase of a liability, and such reduction can be assessed in a credible manner.

r) Employee benefits

Short-term benefits

Short-term benefits include allowances, salaries, premiums, contributions to social securities. Short-term benefits are recognised as expenses as and when the services are delivered.

Social insurance

The bank contributes to the private pension fund created by BRD Fond de Pensii for the employees who sign the subscription contract therewith, and recognized this contribution in the expenses accounts for personnel-related social security, where the Collective Employment Agreement stipulates such costs.

Post-employment benefits

BRD pays, at the time of retiring of its personnel, post-employment benefits set according to the Collective Employment Agreement, the amounts being estimated by the “projected unit credit actuarial valuation method”, and recognized in the profit and loss account based on the accrual principle. The surplus or deficit arising from changes in the discount rate and from other actuarial assumptions is recognised as income or expense over the expected average remaining working lives of the employees that participate in the plan.

s) Conversion of balances expressed in foreign currency

Transactions in foreign currency are entered at the rate of exchange at the transaction date. At the balance-sheet date, monetary assets and liabilities denominated in foreign currency are converted by means of the NBR official rate of exchange for the respective day, except for the assets in foreign currencies registered as long-term investments, which are converted in lei at the rate of exchange in force at the date of their purchase.

The exchange gaps originating in the settlement of the transactions at rates different from those at the transaction date, as well as the exchange gaps not realized corresponding to the monetary assets and liabilities denominated in other currencies are recognized in the profit and loss account, during the period.

t) Taxation

Current tax refers to the due profit tax computed according to the Romanian fiscal regulations and recorded in the period it refers to.

u) Off-balance sheet contingent liabilities

Contingent liabilities are not recognized in the balance sheet. They are disclosed in the notes, unless when the possibility of an outflow of resources embodying economic benefits is remote.

v) Off-balance sheet commitments

This item includes all the irrevocable commitments that could generate a risk. Commitments are not recognized in the balance sheet, but are disclosed in the notes if an inflow of economic benefits is probable to occur.

w) Analysis of the cash for cash-flow calculation purposes

In order to calculate the cash-flows, the cash and cash equivalents consist of: cash, cheques and traveller's cheques, accounts with NBR and current accounts and deposits with banks, except for collateral deposits and the minimum legal reserve.

x) Affiliated persons

Persons are deemed affiliated to the bank when one of the parties, by a deed of property, contractual rights, family relations or equivalents has the possibility to directly or indirectly control the other party. Affiliated parties also include persons who are mainly owners, managers and members of the Board of Directors of BRD and members of their families.

y) Reclassifications

Where the values corresponding to the current fiscal year and to the previous fiscal year, recorded in the balance sheet and in the profit and loss account, are not comparable, the values of the previous year are reclassified accordingly so as to ensure comparability.

z) Subsequent events

Post-balance sheet events providing additional information on the BRD position at the balance sheet date (adjusting events), are presented in the financial statements. Events following the balance sheet date that are not adjusting events are disclosed in the notes, when significant.

Note 2: Information on certain balance sheet items:
Items making up the balance sheet asset
2.1. Cash, current accounts with the central bank

The cash on hand and in the accounts with NBR has the following structure:

Cash

	December 31', 2008	December 31', 2009
Accounts with the Central Bank	13,303,435,028	9,214,648,716
Cash in hand	951,064,213	631,551,367
Total	<u>14,254,499,241</u>	<u>9,846,200,083</u>

The National Bank of Romania requires banks to maintain reserves calculated according to specific regulations („minimum legal reserve”), as a percentage of the total deposits, other borrowed funds and transit amounts. NBR calculates and pays interest to banks on these reserves.

The rate required for the minimum legal reserve in foreign currency in 2009 decreased from 40% in the period January – July, to 25% in December. For lei, it decreased from 18% (valid in the period January – July) to 15% (in the period August – December).

In 2009, the interest rate calculated by the National Bank of Romania for the minimum legal reserve varied for foreign currency between 1.26% and 2.8%, and for lei between 3.36% and 5.9%.

2.2. Public bonds and other securities accepted for refinancing at the central bank

The structure of the securities portfolio is the following:

Public bonds and other securities

	December 31', 2008	December 31', 2009
Treasury bonds held for trading	756,913,667	1,102,573,401
Treasury bond available for sale	0	985,497,383
Total	<u>756,913,667</u>	<u>2,088,070,784</u>

Government bonds classified as securities available for sale are evaluated at the purchase cost. The favourable differences as at 31.12.2009 between the market value and the purchase cost

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2009
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(the related receivable included) are of RON 36,468,910 for securities in euros. They are not recognized in the books.

2.3. Amounts receivable from credit institutions

The bank's placements in loans and deposits at term and on demand with the credit institutions are presented below:

a. on demand

Placements on demand

	December 31', 2008	December 31', 2009
Amounts receivable from banks	81,471,997	74,086,225
Correspondent account with banks	70,673,820	56,787,522
Demand deposits with banks	36,214,505	85,534,479
Total	<u>188,360,322</u>	<u>216,408,226</u>

b. at term

Term receivables from credit institutions

	December 31', 2008	December 31', 2009
Term loans to credit institutions	264,140,000	1,353,501,309
Term deposits with credit institutions	69,000,000	30,000,000
Total	<u>333,140,000</u>	<u>1,383,501,309</u>

The outstanding deposits as at 31.12.2009 are free from burdens.

2.4. The amounts receivable by the bank from the customers have the following structure:

Receivables from customers

	December 31', 2008	December 31', 2009
Current loans to customers	31,330,785,513	30,754,523,079
Overdue and doubtful loans	459,881,685	1,224,768,535
Commercial receivables	337,452,027	195,608,545
Repo securities in possession	125,152,577	0
Collectible amounts	20,435,547	3,145,636
Provisions	(752,632,681)	(1,433,253,351)
Total	<u>31,521,074,668</u>	<u>30,744,792,444</u>

Under customer operations, outstanding syndicated loans as at 31.12.2009 represent a total of RON 1,802,717,185.

2.5. Bonds and other fixed-income securities:

Corporate bonds

	December 31', 2008	December 31', 2009
Corporate bonds- Estima Finance	3,500,000	3,500,000
Total	<u>3,500,000</u>	<u>3,500,000</u>

Corporate bonds are due on 04.01.2010.

2.6. Participating Interests

Participating Interests*

	December 31', 2008	December 31', 2009
Mobiasbanca	29,017,185	29,017,185
BRD Fond de Pensii	14,690,200	14,690,200
BRD Asigurari de Viata	13,532,085	13,532,085
F.G.C.R	1,008,983	1,008,983
ECS International	287,996	287,996
Romcard	45,589	45,589
Sogeprom	40,000	40,000
Biroul de Credit (reclassification of	779,184	779,184
Total	<u>59,401,222</u>	<u>59,401,222</u>

*) The participation rates are presented in Note 14.

The Bank holds 18.85% of the share capital of the Credit Bureau, while also having a significant influence, which is why a reclassification in the security interests' category was made. Line 060 – “Shares and other variable-income securities” and line 70 “Security Interests” in 2008 balance sheet were duly adjusted.

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2.7. Investments in affiliated undertakings

Investments in affiliated undertakings

	December 31', 2008	December 31', 2009
BRD Finance	53,018,588	53,018,588
BRD Soglease SRL	8,998,000	8,998,000
BRD Securities SA	1,912,705	1,912,705
ALD Automotive	1,672,520	5,280,151
BRD Asset Management	878,118	2,321,168
BRD/SG Corporate Finance SRL	364,012	364,012
ALD provision	(249,595)	(249,595)
Total	<u>66,594,348</u>	<u>71,645,029</u>

The securities of the portfolio activity are presented in detail in **note 4**.

2.8. Other assets

Other receivables

	December 31', 2008	December 31', 2009
Derivative financial instruments	56,481,757	56,179,913
Debtors	51,427,342	53,772,120
Provisions for debtors	(14,933,234)	(23,912,572)
Stocks and assimilated	5,275,319	1,274,531
Other receivables	7,232,432	11,661,176
Corporate tax	0	44,785,300
Total	<u>105,483,616</u>	<u>143,760,468</u>

2.9. Prepaid expenses and other accruals

Prepaid expenses and other accruals

	December 31', 2008	December 31', 2009
Receivables related to extended loans	133,826,053	158,873,644
Overdue and doubtful receivables	94,931,235	285,726,038
Prepaid expenses	77,085,069	75,923,450
Receivable income	24,273,769	48,059,549
Receivables related to accounts with banks (NBR included)	11,973,094	3,338,370
Other receivables	1,310,766	7,051,300
Provisions for accrued receivables	(68,775,814)	(244,677,410)
Total	<u>274,624,173</u>	<u>334,294,941</u>

Items making up the balance sheet liabilities

2.10. Debts to credit institutions:

a) debts on demand:

Debts on demand towards credit institutions

	December 31', 2008	December 31', 2009
Bank deposits on demand	1,874,852,000	690,892,802
Other due amounts	185,604,308	115,921,497
Bank current accounts (loro)	45,754,750	167,399,745
Total	<u>2,106,211,058</u>	<u>974,214,044</u>

b) term debts:

Term debts to credit institutions

	December 31', 2008	December 31', 2009
Deposits attracted from other financial - banking institutions	5,857,984,519	4,645,308,000
Financial loans from banks	4,490,383,619	3,700,498,675
Loans secured with assets eligible for collateral	873,800,000	0
Collateral deposits	206,462,547	211,410,042
NBR repo	0	435,678,516
Total	<u>11,428,630,685</u>	<u>8,992,895,233</u>

2.11. Debts to customers:

Debts to customers

	December 31', 2008	December 31', 2009
Term deposits	12,576,477,323	14,770,160,084
Current accounts and term deposits of customers	15,077,218,411	13,497,834,596
Collateral deposits	975,239,840	859,915,649
Other loans, leasing, factoring, cards	216,012,974	143,234,080
Deposit certificates	21,430,000	0
Total	<u>28,866,378,549</u>	<u>29,271,144,409</u>

2.12. Leasing debts

As at December 31, 2009, the Bank recorded the following debts on the financial leasing contracts:

Debts from financial leasing

	December 31', 2008	December 31', 2009
Maturity under 1 year	6,488,594	7,451,243
Maturity between 1 and 5 years	35,436,825	31,548,103
Maturity over 5 years	36,769,677	33,629,608
	78,695,096	72,628,954
Interest on financial leasing contracts	22,448,222	13,181,626
Net debt in financial leasing	<u>56,246,874</u>	<u>59,447,328</u>
	0	0
Maturity under 1 year	5,240,564	6,551,687
Maturity between 1 and 5 years	22,555,665	23,321,247
Maturity over 5 years	28,450,645	29,574,394
	<u>56,246,874</u>	<u>59,447,328</u>

The net debt from financial leasing represents:

- The contract signed with BRD Sogelease in March 2003, concerning floors 8 to 11 of the building located 1-7 Ion Mihalache Bd., 1st district, Bucharest. This contract was signed for a 10-year period, the total value being of EUR 15,462,840.
- The contract signed with BRD Sogelease in May 2008, the object of which is represented by the Computer Centre Berceni. The contract was signed for a 10-year period, its initial value being of EUR 16,112,392. Subsequently, the contractual value

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was recalculated based on the updated interest, which resulted as at 31.12.2009 into a value of EUR 13,982,054.

2.13. Deposit Certificates
Deposit certificates

	December 31', 2008	December 31', 2009
Deposit certificates in RON	21,430,000	0

2.14. Other liabilities
Other debts

	December 31', 2008	December 31', 2009
Due corporate tax	123,398,559	0
Derivative financial instruments	80,382,515	17,692,206
Sundry debtors	72,012,146	73,440,385
Other amounts due to the state budget, local budgets and special funds	14,781,404	10,115,323
Contributions to social security and social insurance	14,465,790	14,166,115
Intrabanking settlements	691,702	2,461,945
Other debts	33,044,760	376,233,633
Total	<u>338,776,876</u>	<u>494,109,607</u>

As at 31.12.2009, the “Other liabilities” position includes “other deposits from received guarantees” and customer accounts for securities transactions.

2.15. Deferred income and other incurred debts

Deferred income and other incurred debts

	December 31', 2008	December 31', 2009
Deferred income	300,278,293	275,603,155
Accrued interest to customers	126,948,776	112,485,160
Committed amounts	10,632,357	21,616,463
Accrued interest to financial institutions	28,121,965	60,659,038
Accrued interest on subordinated loans	21,631,710	7,641,426
Interests on deposit certificates	1,939,593	0
Interests on bonds	3,121,233	3,121,233
Accrued interest on financial leasing	3,105,136	2,378,940
Accrued interest on NBR loan	345,878	0
Accrued interest on NBR repo	0	290,452
Total	<u>496,124,941</u>	<u>483,795,867</u>

The "Deferred income" position includes the incomes from credit commissions, which are allocated throughout the life of the credit.

2.16. Subordinated loans

The bank signed with Société Générale (the parent company) two contracts on the extension of subordinated loans:

- a) Subordinated loan:
 - Value: EUR 100,000,000
 - Interest rate: EURIBOR 6M+0.5;
 - Due date: 06.07.2015;

- b) Subordinated loan:
 - Value: EUR 100,000,000
 - Interest rate: EURIBOR 6M+0.99;
 - Due date: 31.07.2013.

The loans will be repaid on the due date. The lender cannot request prepayment.

2.17. Reserves

This item includes the legal reserves, the reserve for banking risks (the reserve for the credit risk and the reserve for general banking risks), and other reserves.

The "Other reserves" item includes:

- Reserves from the revaluation of real estate assets, which dropped down by RON 229,027,014;

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- Balance brought forward, made of:
 - The surplus made from the revaluation reserve, amounting to RON 14,617,915;
 - The non-allocated profit of RON 512,846,406

2.18. Dividends

According to the provisions of Order 13, paragraph 301, the dividends distributed to the shareholders, proposed or declared after the date of the balance sheet, are not recognised as debt at the date of the balance sheet. The amounts representing dividends are entered in the balance brought forward and, after the approval of this destination by the General meeting of the Shareholders, they will be entered in the corresponding debt accounts.

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Note 3: Statement of receivables and debts

	Balance as at December 31, 2008	PERIOD TO MATURITY			
		D ≤ 3 months	3 months <D ≤ 1 year	1 year <D ≤ 5 years	D > 5 years
0	1	2	3	4	5
RECEIVABLES					
Term receivables from credit institutions	333,140,000	146,200,000	22,294,000	73,176,000	91,470,000
Receivables from customers	31,521,074,668	4,523,933,413	8,464,693,906	10,641,019,697	7,891,427,652
DEBTS					
Term debts to credit institutions	11,428,630,685	6,336,039,399	2,222,470,948	2,650,934,338	219,186,000
Customer deposits	16,014,383,220	14,340,426,774	1,406,404,792	188,279,263	79,272,392
Other debts to customers	12,851,995,329	12,738,243,364	20,519,627	53,883,533	39,348,805
Debts made by other securities	735,000,000	-	-	735,000,000	-

	Balance as at December 31, 2009	PERIOD TO MATURITY			
		D ≤ 3 months	3 months <D ≤ 1 year	1 year <D ≤ 5 years	D > 5 years
0	1	2	3	4	5
RECEIVABLES					
Term receivables from credit institutions	1,383,501,309	122,370,000	18,294,000	1,130,226,000	112,611,309
Receivables from customers	30,744,792,444	4,784,826,027	7,342,890,269	10,689,612,131	7,927,464,017
DEBTS					
Term debts to credit institutions	8,992,895,233	5,503,806,558	1,923,281,883	1,333,255,792	232,551,000
Customer deposits	18,479,864,650	16,843,250,338	1,238,915,731	302,425,364	95,273,217
Other debts to customers	10,791,279,759	10,694,567,177	7,996,274	7,397,612	81,318,696
Debts made by other securities	735,000,000	-	-	735,000,000	-

Note 4: Information on the securities portfolio

The securities portfolio is made up of:

Shares and other variable-income securities

	December 31', 2008	December 31', 2009
<i>1. Long-term investments</i>		
VISA INC	1,745,104	1,745,104
FRGCIP	803,200	803,200
Transfond SA	342,917	342,917
Depozitarul Central SA	58,489	58,489
Victoria Business Center	45,758	45,758
Casa de Compensare Bucuresti	16,908	17,518
Casa Romana de Compensatie	5,840	21,000
Krupp Bilstein Compa	2,700	2,700
BRM	1,085	1,085
Fondul de compensare a investitorilor	0	1,500
<i>total long-term investments</i>	<i>3,022,001</i>	<i>3,039,271</i>
<i>2. Short-term investments</i>		
Simfonia	37,101,687	9,439,023
Concerto	9,080,500	9,080,500
Diverso ER	0	20,005,149
Shares ER	0	12,000,000
<i>total short-term investments</i>	<i>46,182,187</i>	<i>50,524,672</i>
Total	<u>49,204,188</u>	<u>53,563,943</u>

The 2008 total presented here above was modified following the reclassification of the Credit Bureau presented in note 2.6.

The fund units of Simfonia, Concerto, Diverso Europa Regional and Actiuni Europa Regional are entered in the books as securities available for sale at the purchase price, as the purchase price is smaller than the market value.

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Fond units	Simfonia		Concerto		Diverso ER	Actiuni ER
	31.12.2008	31.12.2009	31.12.2008	31.12.2009	31.12.2009	31.12.2009
Number of units	1,600,861	380,913	90,353	90,353	195,116	116,238
Favourable difference between market value and book value	2,567,649	1,226,539	103,002	1,693,219	1,328,872	717,567

According to its by-laws, the Simfonia Fund does not invest in shares or other unstable financial instruments. In compliance with the investment policy of the Fund, at least 70% of its placements represent financial instruments with a low risk level (cash, bank deposits, deposit certificates, bonds issued by the central and local administration).

The Concerto Fund has a balanced placement strategy, its assets being invested in different types of instruments: money instruments (deposits and deposit certificates, public bonds etc.), bonds (governmental, municipal and corporate) and shares listed on the Bucharest Stock Exchange.

The objective of the open-end investment funds Diverso Europa Regional and Actiuni Europa Regional is to seek an active capitalization of the collected resources and, to this end, the assets of the funds may be invested, among others, on the monetary markets, the bond markets and the share markets in Romania and Eastern and Central Europe.

The funds' investments are managed by BRD Asset Management, a management company authorized by NSC, in which BRD-Groupe Société Générale holds 99.95%.

Note 5: Fixed assets

The goodwill resulting from the acquisition on December 1, 1999, of Société Générale Bucharest is entered in the books at the historical cost and fully amortized until 31.12.2009.

Tangible assets are entered in the books at the fair value deemed the market value for current use.

In 2009, BRD proceeded to reevaluate the tangible assets such as existing buildings and land at the fair value. The revaluation was done by an independent evaluator.

The revaluated final value included the functional elements and installations of the buildings and land (fittings, support walls, connectors, electrical and lighting installations, electric generating sets, sewing pipes, reservoirs, thermal installations, heating plants, technical and sanitary installations, gas fittings and pipes, concrete roads, ramps and platforms, terraces, stairs, elevators, fire protection and security systems, air conditioning systems, etc.). These items are an integrant part of the revaluated fixed assets and, in order to determine their market value, the evaluator used the following methods: the market comparison method, the income capitalization method, the cost method.

The market comparison method is based on the direct comparison of the revaluation property with other comparable properties that have been recently sold or put out for sale. This method was used in revaluating the residential land and premises, for which the comparable data were extracted from the existing market information.

The income capitalization method is based on the income generated by a property when rented, at a set occupancy rate, based on a capitalization rate that reflects the market standards and the investors' interest in properties of the kind.

The cost method: The net replacement cost is based on estimating the market value for the current use of the land, plus the gross cost for replacing the developments of the land and related buildings, minus the allocation (in terms of value) for the physical deterioration and any relevant forms of depreciation.

At the revaluation date, the accrued amortization was eliminated from the gross accounting value of buildings.

The difference between the value resulting from revaluation and the book value net of the accrued amortization is presented in the balance sheet as the revaluation reserve, as a distinct-sub-item in the own equity items.

The assets for which an increase followed from the revaluation, as compared to the net book value, were treated as follows:

- The increase of the revaluation reserve presented in the own equity items, if there was no prior decrease recognised as asset-related expense;
- An income that would set off the expense against the decrease previously recognised for the respective asset. This income is presented in the profit and loss account under item 090 - "Corrections of the value of tangible and intangible assets".

The assets for which a decrease of the net book value followed from the revaluation were treated as follows:

- As an expense with the entire depreciation value, when no revaluation surplus is recorded in the revaluation reserve. This expense is presented in the profit and loss account under item 090 - "Corrections of the value of tangible and intangible assets".
- As a decrease of the revaluation reserve presented in the own equity item, with the minimum between the value of such reserve and the value of the decrease, and the uncovered difference is registered as expense.

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	RON
Revaluation reserves at the beginning of the fiscal year	731,916,133
Amounts capitalized in the balance brought forward	(14,617,915)
Increase from revaluation	46,580,567
Decrease from revaluation	(260,989,666)
Revaluation reserves at the end of the fiscal year	502,889,119

Impact of the revaluation in the profit and loss account:

	<i>Amounts</i>
expenses from fixed reevaluation assets -lands	1,169,590
expenses from fixed reevaluation assets - buildings	9,610,824
Total expenses	10,780,414
incomes from fixed reevaluation assets - buildings	198,092
Total incomes	198,092
Net Impact in the Profit and Loss Account	(10,582,322)

The revaluation results are presented for the entire group of buildings and land as follows:

Fixed asset	Net book value before revaluation	Market Value	Difference from reevaluation	Reduction of reserve (net amount)	Net Impact in the Profit and Loss Account
Buildings	989,594,749	815,922,159	173,672,590	(164,259,858)	(9,412,732)
Lands	113,396,870	62,078,039	51,318,831	(50,149,241)	(1,169,590)
Total	1,102,991,619	878,000,198	224,991,421	(214,409,099)	(10,582,322)

The fiscal treatment of revaluation reserves:

According to the Fiscal Code, the book value and tax basis as at 31.12.2003 included the revaluation reserves resulted from the revaluations made by the said date.

The revaluation reserves corresponding to the revaluations made after 01.01.2004 were not included in the tax basis until 01.01.2007. Starting with 01.01.2007, the revaluation reserves have been included both in the book value and in the tax basis, their amortization being considered as deductible expense.

As of 01.05.2009, the revaluation reserves corresponding to the revaluations made after 01.01.2004, deducted by means of the amortization, as well as of the amount remained not amortized upon retirement, have been included in the calculation of the profit tax as taxable incomes.

The revaluation surplus is deemed realized upon the retirement of the revaluated fixed assets. For the revaluation reserves corresponding to the revaluations made after 1.01.2004, deducted before 01.05.2009, as well as for those corresponding to the revaluations performed before 01.01.2004, taxation will be done when there occurs a change in the destination of the revaluation surplus realized.



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Assets	Gross value				Depreciation			
	Balance as at January 1st	Increases	Decreases	Balance as at December 31	Balance as at January 1st	Depreciation recorded in 2008	Decreases	Balance as at December 31
INTANGIBLE ASSETS	169,964,943	90,903,417	50,613,454	210,254,906	112,975,285	18,139,710	-	131,114,995.00
Goodwill	45,033,322	0	0	45,033,322	40,529,993	4,503,329	-	45,033,322.00
Other intangible assets	82,150,851	59,518,175	0	141,669,026	72,445,292	13,636,381	-	86,081,673.00
Intangible assets in progress	42,780,770	31,385,242	50,613,454	23,552,558	0	0	-	-
TANGIBLE ASSETS	2,151,843,473	309,104,102	707,768,576	1,753,178,999	582,007,815	120,792,734	271,609,509.00	431,191,040.00
Lands	109,549,304	6,997,844	54,469,109	62,078,039	0	0	-	-
Buildings	1,401,845,502	81,030,197	461,514,985	1,021,360,714	246,254,885	48,320,904	224,247,253.00	70,328,536.00
Technological equipment (machines, tools and work installations)	97,073,714	20,651,350	3,590,611	114,134,453	53,098,325	15,360,054	3,409,360.00	65,049,019.00
Measurement, control and adjustment devices	195,843,365	25,779,107	33,746,548	187,875,924	163,314,540	30,466,008	33,738,995.00	160,041,553.00
Means of transportation	25,766,863	21,870	3,608,699	22,180,034	16,685,561	2,699,323	3,579,146.00	15,805,738.00
Furniture, bureautics, equipment for the protection of human and material values and other tangible assets	237,063,537	49,221,939	8,278,387	278,007,089	102,654,504	23,946,445	6,634,755.00	119,966,194.00
Tangible assets in progress	84,701,188	125,401,795	142,560,237	67,542,746	0	0	-	-
LONG-TERM INVESTMENTS	129,267,165	5,067,952	0	134,335,117	249,595	0	-	249,595.00
Bonds and other fixed-income securities	0	0	0	0	0	0	-	-
Shares and other variable-income securities	3,022,001	17,270	0	3,039,271	0	0	-	-
Participating interests	59,401,222	0	0	59,401,222	0	0	-	-
Investments in affiliated undertakings	66,843,942	5,050,682	0	71,894,624	249,595	0	-	249,595.00
TOTAL FIXED ASSETS	2,451,075,581	405,075,471	758,382,030	2,097,769,022	695,232,695	138,932,444	271,609,509.00	562,555,630.00

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Fund units and fixed-income bonds are not deemed long-term investments. As a consequence, the initial balances of 2008 were eliminated from the statement regarding the fixed assets, presented here below.

Note 6: Own shares and issued bonds

Shares

- The Bank's share capital as at December 31, 2009: RON 696,901,518;
- Nominal value of the BRD share: RON 1;
- Number of shares: 696,901,518.

Changes in the share capital

No.	Prior level of the share capital / endowment capital	Amount requested for the increase of the share capital	Level of the share capital / endowment capital after capital increase	Observations
1	500,000	200,000	700,000	Decision of the Foreign Investors Council no. 7 / 21.05.1991
2	700,000	1,400,000	2,100,000	Decision of the Foreign Investors Council no. 23 / 13.11.1992
3	2,100,000	2,552,000	4,652,000	Decision of the General Meeting of the Shareholders no.6/18.03.1994
4	4,652,000	2,685,275	7,337,275	Decision of the General Meeting of the Shareholders no.24/29.12.1994
5	7,337,275	5,489,850	12,827,125	Decision of the General Meeting of the Shareholders no.47/24.01.1997 Hot AGA nr.49/30.05.1997
6	12,827,125	1,592,750	14,419,875	Hot AGA nr.54/24.02.1998
7	14,419,875	8,182,875	22,602,750	Decision of the General Meeting of the Shareholders no.59/24.07.1998
8	22,602,750	17,586,375	40,189,125	Decision of the General Meeting of the Shareholders no.60/04.08.1998
9	40,189,125	361,875	40,551,000	Decision of the General Meeting of the Shareholders no.63/12.11.1998 Legal base: Government ordinance no.48/1998 modified by Government ordinance no.99/1998
10	40,551,000	8,110,200	48,661,200	Decision of the General Meeting

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2009
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				of the Shareholders no.67/6.01.1999
11	48,661,200	125,564,135	174,225,335	Decision of the General Meeting of the Shareholders no.74/20.12.1999
12	174,225,335	174,225,335	348,450,670	Decision of the General Meeting of the Shareholders no. 82/4.04.2002
13	348,450,670	69,690,134	418,140,804	Decision of the General Meeting of the Shareholders no.84 / 17.12.2002
14	418,140,804	278,760,536	696,901,340	Decision of the General Meeting of the Shareholders no.92 / 29.04.2005
15	696,901,340	178	696,901,518	Decision of the General Meeting of the Shareholders no.92/29.04.2005 Decision of the Board of Directors no.190/ 13.06.2005

Bonds

The Bank issued bonds on the foreign market in 2006:

Bonds issued by BRD

	December 31', 2008	December 31', 2009
Bonds issued on the external market	735,000,000	735,000,000
Total	<u>735,000,000</u>	<u>735,000,000</u>

Bonds issued on the external market:

- Interest-bearing bonds;
- Nominal value per unit: RON 35,000;
- Coupon: 7.75% flat;
- Maturity: 12.12.2011;
- Paid coupons 2009: RON 56,962,500;

Note 7: Profit allocation

Profit allocation proposal:

	December 31', 2008	December 31', 2009
Profit to be distributed	1,353,484,233	779,069,717
Legal reserves	0	0
Statutory or contractual reserves	0	0
Reserve for banking risks	0	0
Reserve for the fund of general banking risks	0	0
Mutual aid reserve	0	0
Mutual guarantee reserve	0	0
Other reserves	0	0
Other funds	0	0
Dividends	507,543,554	0
Cover of the accounting loss of the previous years	0	0
Other distributions	845,940,679	0
Non-distributed profit	<u>0</u>	<u>779,069,717</u>

For 2009, the proposal for the allocation of the profit amounting to RON 779,069,717 is:

- Dividends to shareholders: RON 194,767,429;
- Balance carried forward: RON 584,302,288;

Note 8: Provisions for risks and charges
Provisions for risks and charges

Name of provision	Sold 01.01.2009	Transfers	Transfers	Balance as at 31.12.2009
		to the account	from the account	
0	1	2	3	4=1+2-3
Provisions for pensions and similar obligations	13,904,101	18,798,934	975,480	31,727,555
Provisions for taxes	2,016,865	0	0	2,016,865
Other provisions	58,675,169	58,723,666	55,686,777	61,712,059
Total	74,596,136	77,522,600	56,662,257	95,456,479

In 2009, there were set up provisions for the facilities extended to personnel of RON 18,798,934. Out of the balance of RON 61,712,059 as at 31.12.2009 corresponding to other provisions, the amount of RON 57,600,000 represents a provision set up for profit sharing, and the difference represents provisions for litigations.

Note 9: INFORMATION REGARDING CERTAIN ITEMS IN THE PROFIT AND LOSS ACCOUNT

9.1. Interest income and similar income

Interest income and similar income

Name of item	December 31', 2008	December 31', 2009
Interest income from customer operations	3,588,213,414	3,943,282,822
Interest income from NBR	286,709,030	324,449,229
Income assimilated to interest, from off-balance sheet and derivatives operations	82,395,880	123,927,782
Interest income from treasury and interbank operations	66,417,109	62,012,585
Interest income from securities	2,707,553	13,160,789
Total	<u>4,026,442,987</u>	<u>4,466,833,207</u>

In 2008, the credit management commissions were entered in the profit and loss account on line 40 – „Commission income”. Considering that these commissions are interest-like, they were reclassified in the profit and loss account from line 40 to line 10 – “Interest income and other incomes”.

The amount of these commissions is of RON 363,079,962 for 2009, and of RON 320,598,218 for 2008 and these amounts were included on the line “Interest receivable from customer operations”.

9.2 Interest expense and similar expenses

Interest expenses and similar expenses

Name of item	December 31', 2008	December 31', 2009
Interest expense for customer operations	1,617,715,893	1,945,736,174
Interest expenses for treasury and interbank operations	420,756,677	400,034,696
Interest expense for securities	59,230,894	60,959,792
Interest expense on subordinated loans	41,614,130	24,256,980
Interest expense for off-balance sheet and derivatives operations	2,450,813	24,473,446
Total	<u>2,141,768,407</u>	<u>2,455,461,088</u>

9.3 Commission income

Commission income

Name of item	December 31', 2008	December 31', 2009
Commission income from customer operations	264,411,149	293,509,769
Commission income from financial services delivered	436,574,838	409,769,687
Commission income from treasury and interbank operations	49,181,380	51,542,228
Venituri din comisioane din operațiuni cu titluri	2,008,484	2,646,633
Commission income from operations with derivatives	1,235,289	155,580
Total commission income	<u>753,411,140</u>	<u>757,623,897</u>

The total for 2008 and 2009 presented here above was modified as per the explanation made in note 9.1.

9.4. Commission expenses

Commission expense

Name of item	December 31', 2008	December 31', 2009
Commission expense for treasury and interbank operations	83,275,405	87,370,813
Commission expense for financial services delivered	7,012,222	6,101,913
Commission expense for customer operations	3,509,849	2,448,163
Commission expense for securities operations	90,834	150,297
Total commission expenses	<u>93,888,312</u>	<u>96,071,186</u>

9.5. Net profit or loss from financial operations:

This item includes:

- Net income from transactions with securities other than financial assets and adjustments and reversal adjustments of the value of these securities;
- Net income from foreign exchange operations;
- Net income from other sale – purchase operations with financial instruments.

Profit or loss from financial operations

Name of item	December 31', 2008	December 31', 2009
Gains from foreign exchange operations	5,521,624,985	5,581,133,473
Losses from foreign exchange operations	5,056,586,755	5,117,719,256
<i>Profit from foreign exchange operations</i>	<i>465,038,230</i>	<i>463,414,217</i>
Income from securities operations	57,305,230	294,798,682
Expenses with securities operations	52,448,382	70,913,621
<i>Profit from securities operations</i>	<i>4,856,848</i>	<i>223,885,061</i>
Gains from operations with derivatives	5,366,745,633	3,404,888,571
Losses from operations with derivatives	5,351,140,510	3,334,665,379
<i>Profit from operations with derivatives</i>	<i>15,605,123</i>	<i>70,223,192</i>
Total incomes from financial operations, net	<u>485,500,201</u>	<u>757,522,470</u>

In 2008, the foreign exchange-related expenses corresponding to the leasing contracts were entered in the “Other operating expenses” category and included in the profit and loss account on the position 100 – “Other operating expenses”. In 2009, the amounts were entered in the foreign exchange difference account, on the position 060 – “Profit or loss from financial operations”. Consequently, in 2008, the account was reclassified to code 060, the related adjustments of RON 9,821,169 being presented in the Profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2009

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9.6 Other operating incomes
Other operating incomes

Name of item	December 31', 2008	December 31', 2009
Income from insurance intermediation operations	42,324,278	41,730,760
Income from assignment and decommissioning of fixed assets	27,997,113	1,701,936
Income from services to customers	11,520,829	11,022,507
Price gaps from leasing contracts	3,904,458	0
Income from rents	2,682,454	5,486,159
Income from commissions for financial services - leasing	2,820,908	1,157,242
Income from damages, fines, penalties	2,662,190	7,527,706
Income from professional training centres	1,192,471	1,265,407
Income obtained as marketing agent	1,603,060	600,135
Other operating income	9,694,174	8,874,419
Total other operating income	<u>106,401,936</u>	<u>79,366,271</u>

9.7 Other operating expenses
Other operating expenses

Name of item	December 31', 2008	December 31', 2009
Losses from assignment and decommissioning of fixed assets	20,951,308	21,999,466
Expenses with other taxes, charges and related payments	20,757,554	21,714,499
Contribution to the bank deposits guarantee fund	18,375,654	36,461,701
Expenses with operational lease ALD	117,867,324	154,368,095
World employee stock ownership plan	6,954,998	2,776,032
Annulled commissions and interests	4,490,484	1,055,616
Sponsorship	3,026,360	7,404,668
Other operating expenses	5,583,514	4,935,366
Total other operating expenses	<u>198,007,197</u>	<u>250,715,443</u>

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In 2008, the expenses with rents – operational leasing were entered in the “Lease expenses” category and included in the profit and loss account on the position 87 - “Other administrative expenses”. In 2009, the amounts were registered in the account of expenses with operational leasing operations, included in the position 100 –,, Other operating expenses”. Consequently, in 2008, the account was reclassified to code 100, the related adjustments of RON 103,342,825 being presented in the Profit and loss account. Moreover, the total is distributed according to the explanation in note 9.5.

9.8. Other administrative expenses
Other administrative expenses

Name of item	December 31', 2008	December 31', 2009
Royalties	5,209,171	1,084,437
Maintenance and utilities	80,879,723	97,471,294
Materials	48,258,448	42,285,321
Post and telecommunications	66,940,256	67,200,177
Security	50,502,259	57,101,460
Protocol and advertising	42,212,353	40,680,454
Other works and services provided by third parties	41,793,568	45,101,009
Consulting	29,217,339	30,014,065
Services provided by the group companies	28,644,616	33,254,603
Maintenance of computer programs and data access	21,847,628	25,175,268
Travels, secondments and transfers	17,989,430	22,529,828
Insurance premiums	13,243,409	11,527,900
RCI Leasing commissions	7,373,477	9,427,309
Total administrative expenses	<u>454,111,677</u>	<u>482,853,125</u>

The total for 2008 presented here above was modified as per the explanation made in note 9.7.

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2009
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Other information:

- a) The auditor expenses for 2009 amount to RON 1,182,688 and represent the payment of the audit services for all the reporting packages, including to Société Générale.
- b) The loss from the assignment of fixed assets in 2009 amounts to RON 20,297,530, out of which RON 7.9 million result from the partial retirement performed upon the reshaping of the offices located in Splaiul Independenței. This reshaping resulted into an increase of the fixed asset of RON 9.1 mil.
- c) The interests paid during the fiscal year for subordinated loans amounted to EUR 9,353,253.
- d) The expenses with the simple lease operations made during the year amount to RON 154,368,095.
- e) The financial leasing installments paid during 2009 by the bank under the contract signed with BRD Soglease are of EUR 2,670,558.

Note 10: Information on employees, directors and executives
Personnel expenses

Name of item	December 31', 2008	December 31', 2009
Personnel remuneration	402,888,664	449,167,460
Pensions	84,182,035	100,224,837
Other expenses with insurance and social security	32,605,531	33,337,043
Other personnel expenses	31,841,078	39,231,931
Meal tickets	14,746,310	15,583,030
Total personnel expenses	<u>566,263,617</u>	<u>637,544,301</u>

At the end of 2009, the bank made a cumulated provision of RON 31,727,555 to cover the contractual indemnities given to the employees upon their retirement.

It also made a provision for profit sharing premiums, amounting to RON 57,600,000 (including the employer's social security contributions).

In compliance with the Collective Employment Agreement for 2009, the Bank recognised as charges the social security contribution – private pension fund set up with BRD Fond de Pensii, of a net amount of EUR 200/year/employee.

The Bank did not sign any pension agreements distinct from the pension system in Romania. The pension system in Romania stipulates current payments made by the employer, calculated as a

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2009

(Amounts in RON unless otherwise specified)

percentage of the current gross payments. These amounts are registered as expenses in the period for which the respective remuneration is due to the employee.

In 2009, the gross allowances paid to the directors were of RON 609,648. The Bank does not have any contractual obligations regarding the payment of pensions to its former executives and directors.

The average number of employees of the Bank in 2009 was of 8,048, up by 82 as compared to 2008.

- 2009: Management: 1,206;
- 2009: Operating personnel: 6,842;

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2009

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Note 11: TRANSACTIONS WITH PARTIES IN SPECIAL RELATIONS WITH THE CREDIT INSTITUTION

Name of item	2008			2009		
	Group companies	Associated companies	Management	Group companies	Associated companies	Management
LOANS						
Placements, down payments and loans extended	534,440,520	63,543,674	5,055	363,580,263	1,223,766	1,369,913
Related receivables	921,480	5,288	0	3,097,748	355	3,141
DEBTS						
Loans received	3,443,666,874	0	0	3,019,187,328	0	0
Current accounts and deposits	7,388,732,916	37,786,990	31,577	5,596,225,767	52,321,239	11,396,264
Related debts	49,286,371	181,713	88	72,510,259	448,198	338,621
Income from commissions and interests	117,240,075	1,464,524	388	57,137,373	43,231	87,375
Expenses with commissions and interests	392,647,114	1,501,593	1,116	250,338,173	14,815,561	892,193
Off-balance sheet items						
Contingent liabilities	7,790,907	0	0	96,208,463	0	0
Commitments	193,307,947	0	0	87,544,417	0	78,530

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2009
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The parties in special relations with the bank are financed at the market interest rate.

Note 12: INFORMATION REGARDING REPORTABLE SEGMENTS

The Bank provides products and services and operates in geographical areas with similar risks and benefits.

Note 13: CONTINGENT LIABILITIES AND COMMITMENTS

The Bank issues letters of guarantee and letters of credit on behalf of its customers. The risk of issuing such guarantees is similar to the risk arising from the lending activity, if the Bank is requested to pay for one of the guaranteed customers. All letters of credit issued by the Bank are collateralized.

All these commitments are acknowledged by the Romanian legislation.

No provisions were created for guarantees issued on the basis of counter guarantees.

Contingent liabilities

	December 31', 2008	December 31', 2009
Letters of bank guarantee issued in favour of the customers	7,457,588,530	6,115,612,032
Other guarantees given to other credit institutions	2,135,235,887	2,465,237,205
Administrative and fiscal guarantees	58,069,303	234,620,539
Confirmations of documentary credits open to correspondent banks	7,790,908	10,156,564
Total	<u>9,658,684,627</u>	<u>8,825,626,340</u>

Commitments

	December 31', 2008	December 31', 2009
Financing commitments for loans	3,454,206,895	3,648,168,786
Import letters of credit	136,694,560	170,000,665
Payment acceptances and commitments	11,300,000	130,000
Total	<u>3,602,201,455</u>	<u>3,818,299,451</u>

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As at 31.12.2009, the FCY operations made for trading purposes, and which have not reached maturity has the following structure:

Speculative operations

	December 31', 2008	December 31', 2009
Foreign currency to receive versus foreign	806,805,370	674,458,458
Foreign currency to deliver against foreign	(827,315,827)	(669,859,939)
Lei to receive against foreign currency to deliver	4,354,091,214	2,390,418,641
Foreign currency to deliver against lei to receive	(4,390,870,965)	(2,314,425,082)
Foreign currency to receive against lei to deliver	2,287,886,247	593,633,813
Lei to deliver against foreign currency to receive	(2,254,151,299)	(592,221,745)

Note 14: OTHER INFORMATION:

➤ **Bank network:**

As at December 31, 2009, the bank carried out its business through 930 territorial agencies coordinated by 21 groups.

➤ **Assets and liabilities in foreign currency**

As at December 31, 2009, the total assets and liabilities in foreign currency expressed in foreign currencies converted into lei, are:

	RON	
	December 31', 2008	December 31', 2009
Total assets in foreign currency	24,936,481,032	25,074,448,823
Total liabilities in foreign currency	22,910,166,518	23,269,669,156

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 ➤ **Derivative financial instruments:**

Portfolio	Instrument	Assets	Liability
transaction	Forward on rate of exchange	26,452,503	0
transaction	Swap on rate of exchange	12,714,930	0
transaction	Swap on interest rate	0	679,726
transaction	Options on rate of exchange - CALL	17,012,480	0
transaction	Options on rate of exchange - PUT	0	17,012,480
Total		56,179,913	17,692,206

 ➤ **Reconciliation between the accounting and fiscal results:**

	December 31', 2008	December 31', 2009
Net accounting income	1,353,484,233	779,069,717
Capital cost allowance	128,672,207	138,195,091
Dividends received from another Romanian or foreign person	8,617,291	2,072,811
Other non taxable incomes	75,015,481	88,813,681
Other deductions	0	2,544,144
Total deductions	212,304,979	231,625,727
Corporate tax	261,046,142	162,257,208
Tax on the income from abroad	10,134	0
to Romanian or foreign authorities, seizures of	230,881	253,226
Depreciation	128,672,207	134,429,116
Sponsoring expenses	3,026,360	7,182,805
Amounts used to set up or increase the provisions and reserves beyond the legal limits	68,726,616	110,305,369
Other non-deductible expenses	47,561,543	78,917,725
Total non-deductible expenses	509,273,883	493,345,449
Assimilated incomes	0	18,210,641
TAXABLE PROFIT	<u>1,650,453,137</u>	<u>1,059,000,080</u>

 ➤ **Participating Interests:**

The information regarding the companies in which the Bank holds participating interests is detailed hereinafter.

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No.	Company	Company object	Address	Type of shares	End date of financial year	Profit/Loss	Share capital	Reserves	BRD quota
1	BRD Securities Groupe Societe Generale SA	Other types of financial intermediations	Ion Mihalache, nr.1-7, sector 1, Bucuresti, 011171	Common shares	31.12.2009	264,047	2,360,000.00	879,196	99.99%
2	BRD Corporate Finance SRL	Business and management consulting	Ion Mihalache, nr.1-7, sector 1, Bucuresti, 011171	Shares	31.12.2009	(1,075,346)	300,000.00	388,802	100.00%
3	BRD Sogelease IFN SA	Contract-based lending (financial leasing)	Ion Mihalache, nr.1-7, sector 1, Bucuresti, 011171	Common shares	31.12.2009	2,922,537	9,000,000	111,263,389	99.98%
4	BRD Finance IFN SA	Other lending activities	Ion Mihalache, nr.1-7, sector 1, Bucuresti, 011171	common shares	31.12.2009	(15,685,104)	108,200,000	(20,936,937)	49.00%
5	Fondul de Garantare a Creditului Rural IFN SA	Other lending activities	Occidentului, nr. 5, sector 1, Bucuresti	common shares	31.12.2009	8,010	2,914,750.00	4,610	33.33%
6	BRD Societate de Administrare a Fondurilor de Pensii Private SA	Administration of pension funds – pillars II and III	B-dul Unirii, nr. 64, bl. K4, sc. 5, parter, sector 3, Bucuresti	common shares	31.12.2009	(1,598,981)	29,980,000.00	(5,766,036)	49.00%
7	ALD Automotive SRL	Rental of motor vehicles and small capacity commercial vehicles	Ion Mihalache, nr.1-7, sector 1, Bucuresti, 011171	shares	31.12.2009	906,043	25,273,950	(22,511,396.00)	20.00%
8	SOGEPROM Romania SRL	Real estate development (promotion)	Ion Mihalache, nr.1-7, sector 1, Bucuresti, 011172	shares	31.12.2009	(506,864)	200,000.00	(1,011,511)	20.00%
9	ECS International Romania SA	Rental of cars and office equipment, computers included	Ion Mihalache, nr.1-7, sector 1, Bucuresti, 011172	common shares	31.12.2009		1,920,000.00		15.00%
10	ROMCARD SA	Computer processing of data	Stefan Mihaileanu, nr. 38, ap. 3, sector 2, Bucuresti	common shares	31.12.2009	1,337,115	95,700.00	1,842,606	20.00%
11	Victoria Business Center SA	Rental and sub-rental of own or rented real estate properties	Calea Victoriei, nr. 12C, bl. A, sc. P, sector 3, Bucuresti	common shares	31.12.2009	627,912	1,457,600.00	4,018,716.00	3.14%
12	Societatea Nationala de Transfer de Fonduri si Decontari-TransFonD SA	Other types of financial intermediations	Bd. Ficusului, nr. 1, sector 1, Bucuresti	common shares	31.12.2009		6,720,000.00		2.72%

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No.	Company	Company object	Address	Type of shares	End date of financial year	Profit/Loss	Share capital	Reserves	BRD quota
13	BRD Asigurari de Viata SA	Life insurance activities	B-dul Unirii, nr. 64, bl. K4, sc.4, parter, sector 3, Bucuresti	common shares	31.12.2009	(3,834,410)	27,616,500.00	1,639,419	49,00%
14	BRD Asset Management SAI SA	Fund administration activities	Bucuresti, Str. Clucerul Udricani nr 1-3, bl 106A, sector 3	common shares	31.12.2009	383,348	2,000,000	222,751	99,95%
15	Mobiasbanca - Groupe Societe Generale SA	Other monetary intermediation activities	Bd. Stefan cel Mare si Sfint 81-a, Chisinau, MD-2012, Republica Moldova	common shares	31.12.2009	3,695,261 MDL	100,000,000.00 MDL	38,838,024 MDL	20.00%
16	Biroul de Credit SA	Activities auxiliary to financial intermediation (except for insurance and pension funds)	Str. Stanta Vineri nr. 29 etaj 4, sector 3, Bucuresti	common shares	31.12.2009	3,157,200	4,114,615.20	6,693,080	18.85%
17	Fondul Roman de Garantare a Creditelor pentru Intreprinzatorii Privati SA	Other lending activities	Matasari, nr. 46, sector 2, Bucuresti	common shares	31.12.2009		16,065,609.00		6.23%
18	SC Depozitarul Central SA	Other types of financial intermediations	Fagaras, nr. 25, sector 1, Bucuresti	common shares	31.12.2009		21,796,696.60	12,925,121.00	1.06%
19	Casa de Compensare Bucuresti SA	Other types of financial intermediations	B-dul Carol I, nr. 34-36, etaj 12, sector 2, Bucuresti	common shares	31.12.2009		6,835,850.00		0.26%
20	Bursa Romana de Marfuri SA	Administration of financial markets	Piata Presei Libere, nr. 1, sector 1, Bucuresti	common shares	31.12.2009		7,290,000.00		0,14%
21	ThyssenKrupp Bilstein Compa SA	Manufacturing of parts and accessories for vehicles and vehicle engines	Henri Coanda, nr. 8, Sibiu	common shares	31.12.2009	(7,008,545)	3,029,076.00	532,129	0.09%
22	Casa Romana de Compensatie SA	Intermediation of financial transactions	Str. M. Kogălniceanu nr. 2. Sibiu, județul Sibiu.	common shares	31.12.2009	1,932,000	10,813,500	956,000.00	0.37%
23	Visa INC.				31.12.2009	-		-	0.15%

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2009

(Amounts in RON unless otherwise specified)

➤ **Preparation of financial statements**

These financial statements prepared for the year ended on December 31, 2009 are individual financial statements.

➤ **Risk management**

Risk management is ensured by the Bank in compliance with the norms of the National Bank of Romania and by fully applying the procedures of the Société Générale Group, the parent company of the bank, the expertise of which is worldwide acknowledged.

This management is made within the limits and powers attributed to operational officers. Exposures are regularly reviewed by specialized committees made up of the bank management (Risk Committee, Asset and Liabilities Management Committee, Credit Committee).

Main types of risks:

Market risk:

The market risk is the risk of loss related to the changes in the market variables, such as interest rates and rates of exchange.

Foreign exchange risk

The foreign exchange risk is related to the variation of the rates of exchange. The bank manages the foreign exchange risk by using limits for the foreign exchange positions opened at the level of each foreign currency and of the global foreign exchange position (more restrictive limits than the ones imposed by the National Bank of Romania), monitoring on a daily basis a synthetic ratio (Value at risk) on the foreign exchange position.

Interest rate risk

The interest rate risk is related to the fluctuation in the interest rates. The Bank manages this risk by monitoring the structure/gaps of the assets and liabilities on due date/maturity intervals and by using a limit of sensitivity of the balance sheet structure to the interest rate risk.

Credit risk:

The credit risk represents the loss which the Bank would incur if a counterparty or another partner failed to meet its contractual obligations. The credit risk is implicit in traditional banking products – loans, credit commitments and other contingent liabilities, such as the letters of credit – but also in contracts of the derivatives type.

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2009

(Amounts in RON unless otherwise specified)

The bank limits its exposure both towards individual counterparties and groups of corporate customers by credit limits established at the time of the analysis. The limit value depends on quantitative factors, such as the customer's position and financial performance, the industry position, but also on qualitative factors, such as the management quality and the structure of the shareholders. The exposure against the authorised limits is monitored on a continuous basis. For the private customers, the bank uses an acceptance scoring system, which is validated permanently.

Liquidity risk:

The liquidity risk is associated either to the difficulty in raising necessary funds in order to meet the commitments, or to the inability to sell a financial asset in due time and at its fair value.

The Bank's approach of liquidity risk management begins with the elaboration of a strategy on liquidity, approved by the Bank's Management. Based on this strategy, the Bank permanently monitors/adjusts the differences between its assets and liabilities, on time intervals, depending on the duration remaining between the balance sheet date and the maturity date.

➤ **Subsequent events**

No significant subsequent events that would affect the financial statements were noticed.