

Quarterly Report

March 31, 2016

according to National Securities Commission Regulation
no 1/2006

YOUR BANK. YOUR TEAM



GRUPE SOCIETE GENERALE

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1. THE COMPANY AND ITS SHAREHOLDERS

BRD – GROUPE SOCIÉTÉ GÉNÉRALE PROFILE

BRD - Groupe Société Générale („BRD” or „the Bank”) was set up on December 1st, 1990 as an independent bank with the legal status of a joint-stock company and with the share capital mainly held by the Romanian State, by taking over the assets and liabilities of Banca de Investitii (the Investment Bank).

In March 1999, Société Générale (“SG”) bought a stake representing 51% of the share capital, increasing its holding to 58.32% in 2004, through the acquisition of the residual stake from the Romanian State. As at March 31, 2016, SG was holding 60.17% of the share capital.

Starting 2001, BRD-Groupe Société Générale operates as an open joint-stock company, admitted to trading on a regulated market, according to the companies’ legislation, banking legislation, capital market regulations, provisions of the Articles of Incorporation and other internal regulations.

BRD identification data are the following:

- **Head Office:** Blvd. Ion Mihalache No. 1-7, sect. 1, Bucuresti
- **Phone/Fax:** 021.3016100 / 021.3016800
- **Sole registration number with the Trade Registry:** 361579/10.12.1992
- **Fiscal Code:** RO 361579/10.12.1992
- **Order number with the Trade Registry:** J40-608-1991
- **Number and date of registration in the Credit Institutions Register:** RB - PJR - 40 – 007/18.02.1999
- **Share capital subscribed and paid:** 696.901.518 lei
- **Regulated market on which the issued securities are traded:** Bucharest Stock Exchange Premium Tier
- **The main characteristics of securities issued by the company:** ordinary shares with a nominal value of 1 RON

EXTERNAL RATING

As at March 31, 2016 the Bank had the following ratings:

Fitch Ratings (rating date: 23-Mar-2016)	Rating
Foreign-Currency Short-Term Issuer Default Rating	F2
Foreign-Currency Long-Term Issuer Default Rating	BBB+
Support Rating	2

Moody's (rating date: 07-Mar-2016)	Rating
Global Local Currency Short-Term Deposit	Not prime
Global Local Currency Long-Term Deposit	Ba1
Foreign Currency Short-Term Deposit	Not prime
Foreign Currency Long-Term Deposit	Ba1

BRD GROUP („GROUP”) consolidates the following entities:

- BRD - Groupe Société Générale S.A.;
- BRD Sogelease IFN SA;
- BRD Finance IFN SA;
- BRD Asset Management SAI SA;

SOCIÉTÉ GÉNÉRALE PROFILE

Société Générale was set up in 1864 as a banking company, registered in France. Its head office is located on 29 Boulevard Haussmann, 75009, Paris, France, and its shares are listed on the Paris Stock Exchange.

Société Générale is one of the largest European financial services groups. Based on a diversified universal banking model, the Group combines financial solidity with a strategy of sustainable growth, and aims to be the reference for relationship banking, recognised on its markets, close to clients, chosen for the quality and commitment of its teams.

Société Générale has been playing a vital role in the economy for 150 years. With more than 148,000 employees, based in 76 countries, Société Générale accompanies 30 million clients throughout the world on a daily basis. Société Générale's teams offer advice and services to individual, corporate and institutional customers in three core businesses:

- *Retail banking in France* with the Société Générale branch network, Credit du Nord and Boursorama, offering a comprehensive range of multi channel financial services on the leading edge of digital innovation;
- *International retail banking, financial services and insurance* with a presence in emerging economies and leading specialised businesses;
- *Corporate and investment banking, private banking, asset management and securities services*, with recognized expertise, top international rankings and integrated solutions.

As at March 31, 2016, the ratings of Société Générale were:

- Standard and Poor's: A
- Moody's: A2
- Fitch: A

BRD POSITION WITHIN SOCIÉTÉ GÉNÉRALE

SG has been present in Romania since 1980, being the only significant bank from Western Europe that was present in Romania during the communist era.

In 1999, it takes part in the process of privatization of Banca Română pentru Dezvoltare and acquires 51% of the bank's share capital.

Starting with this period, BRD lined up its operational procedures and business practices to those of the parent company.

BRD is part of the international network of Société Générale, managed by the International retail banking, financial services division (IBFS) that aims to offer a broad range of products and services to individuals, professionals and corporates. Its global development is built upon:

- The international universal banking and consumer credit networks, organised around three regions: Europe, Russia and Africa / Asia / Mediterranean Basin & Overseas;
- Three specialised businesses, leaders in their markets: Insurance, Car Renting and Fleet Management, Equipment and Vendor Finance.

KEY FIGURES

	The Bank	Q1-2015	Q1-2016	Variation
Financial results	Net banking income (RONm)	596	611	2.5%
	Operating expenses (RONm)	(393)	(386)	-1.9%
	Cost of risk (RONm)	(106)	(145)	36.7%
	Net profit (RONm)	82	63	-23.2%
	Cost / income ratio	66.0%	63.2%	-2.8 pt
	ROE	5.9%	4.2%	-1.7 pt
		Mar-15	Mar-16	Variation
Capital adequacy*	Own funds (RONm)	4,727	5,175	9.5%
	RWA (RON bn)	26.9	26.5	-1.5%
	CAR	17.6%	19.5%	2.0 pt
Loans and deposits	Total net loans (RON bn)	26.1	26.5	1.5%
	Total deposits (RON bn)	35.9	38.6	7.5%
Franchise	No of branches	861	829	(32)
	No of active customers (x 1000)	2,231	2,210	(20)
		Mar-15	Mar-16	Variation
	The Group	Q1-2015	Q1-2016	Variation
Financial results	Net banking income (RONm)	629	647	3.0%
	Operating expenses (RONm)	(412)	(405)	-1.8%
	Cost of risk (RONm)	(114)	(152)	32.4%
	Net profit (RONm)	85	73	-14.3%
	Cost / income ratio	65.5%	62.5%	-3.0 pt
	ROE	5.8%	4.6%	-1.2 pt
		Mar-15	Mar-16	Variation
Loans and deposits	Total net loans including leasing (RON bn)	27.0	27.5	1.9%
	Total deposits (RON bn)	35.9	38.5	7.5%

(*) according to Basel 3 including the impact of prudential filters

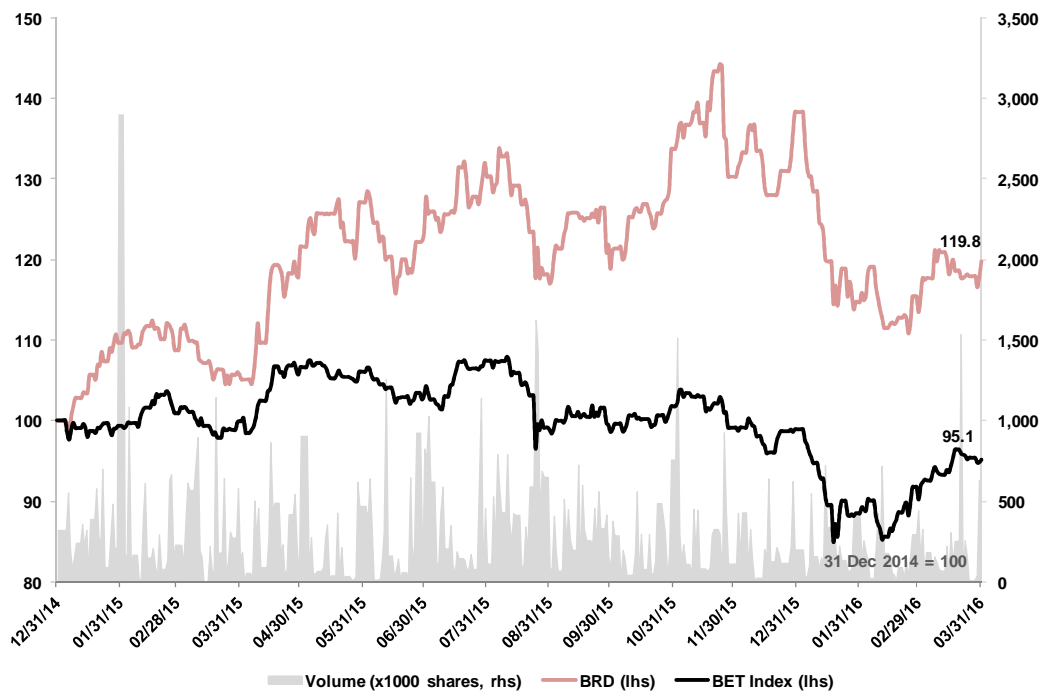
BRD SHARE

Starting with January 15th, 2001, the Bank's shares are listed in the Premium category of the Bucharest Stock Exchange. The shares are included in the BET, BET Plus, BET-BK, BET-XT, ROTX, BET-TR and BET-XT-TR indexes. The Bank's shares are ordinary, nominative, dematerialized and indivisible. According to the Articles of Incorporation, article 17, letter k, the shares of the Bank are traded freely on those capital markets set by General Assembly of Shareholders („AGA”), while complying with the legislation on the trade of shares issued by bank institutions.

The closing price for BRD share as at March 31, 2016, was of 10.48 RON/share (RON 12.10 /share at December 31, 2015 and RON 9.25/share at March 31, 2015). On the same date, the market capitalization was RON 7,303.53 million (RON 8,432.51 million at December 31, 2015 and RON 6,446.34 million March 31, 2015).

During January – March 2016, neither the Bank, nor its subsidiaries bought back own shares.

Evolution of BRD's share price versus the BET Index and BRD's volume of shares for the period December 31, 2014 – March 31, 2016



Source: Bloomberg

2. ECONOMIC AND BANKING ENVIRONMENT

Romania's GDP was by 3.8% higher in 2015 versus 2014, according to preliminary data, driven by private demand which was influenced mainly by the rise in disposable income.

The inflation rate reached -3.0% at March 2016 end versus March 2015 end following the two VAT rate cuts in June 2015 and January 2016.

Given the fiscal easing measures announced by the Government, NBR has kept the policy rate unchanged at 1.75% since May 2015. At the policy rate meeting in January 2016, NBR reduced the minimum reserve requirements for FX liabilities with residual maturity of less than 2 years by 2 percentage points, to 12%. Year-to-date, the minimum reserve requirements for RON liabilities with residual maturity of less than 2 years were kept unchanged at 8%.

Domestic lending showed moderate growth at March 2016 end compared to March 2015 end. Loans to individuals registered a steady increase thanks to demand for loans granted in the "Prima Casa" programme, improved purchasing power and low interest rates. Companies gross loans' outstanding show signs of incipient recovery.

Banking system deposits advanced compared to March 2015 end both on the individuals' and the companies' segments. Both types of clients continue to have prudent savings behaviour.

The write-off operations of non-performing loans led to a decline in the ratio of non-performing loans to 13.6% at January 2016 end compared to 20.7% at January 2015 end (according to European Banking Authority definition).

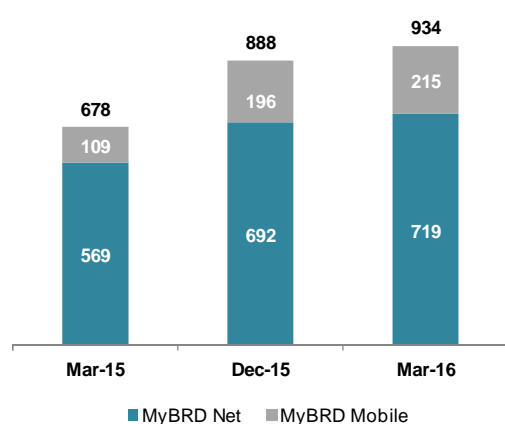
3. COMMERCIAL ACTIVITY

As at March 31, 2016 the Bank had 829 branches (31.03.2015: 861 branches, 31.12.2015: 829 branches), ensuring the distribution of its products and services throughout the whole country.

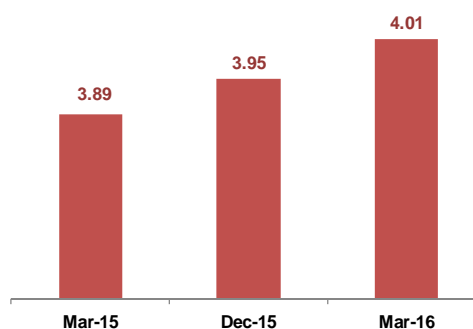
The Bank's number of active individual customers rose by circa 7,000 at March 31, 2016 compared to March 31, 2015 using constant methodology, reaching 2.1 million customers, thanks to a lower attrition rate.

The equipment rate for individuals continued to rise, benefitting from increasing demand for remote banking solutions.

Number of remote banking contracts for individual customers* (x 1000)



Equipment rate for individuals (products/client)*



(*) Bank only

The Bank continued to be the second largest bank in Romania by total assets, with the following market shares:

	Mar-15	Dec-15	Mar-16
TOTAL ASSETS	12.7%	13.0%	n.a.
LOANS	13.7%	13.1%	13.1%
<i>Individuals</i>	16.8%	16.8%	16.8%
<i>Companies</i>	11.0%	9.8%	9.9%
DEPOSITS	14.7%	14.8%	14.1%
<i>Individuals</i>	13.5%	13.8%	13.9%
<i>Companies</i>	16.2%	15.9%	14.3%

BRD held a market share of 13.0% in terms of total assets at December 31, 2015 (according to the Bank's own calculations).

The structure of the customers' net **loans** at Group level evolved as follows:

RON bln	Mar-15	Dec-15	Mar-16	vs. Dec-15	vs. Mar-15
Retail	17.2	18.2	18.1	-0.3%	5.3%
Individuals	16.5	17.5	17.5	-0.3%	5.7%
Small business	0.7	0.6	0.6	1.2%	-5.4%
Non-retail	9.3	8.9	8.8	-0.8%	-5.0%
SMEs	3.9	3.2	3.0	-7.4%	-24.7%
Large corporate	5.3	5.7	5.8	2.9%	9.5%
Total net loans	26.4	27.0	26.9	-0.4%	1.7%
Financial lease receivables	0.5	0.5	0.6	7.4%	11.2%
Total net loans, including leasing	27.0	27.6	27.5	-0.3%	1.9%

The net loan outstanding increased by 1.7% at March 31, 2016 compared to March 31, 2015 due to steady annual growth of net retail outstanding. Retail loan growth was sustained by strong demand for RON financing from individual customers. Thus, loan production on this segment amounted to RON 1.1 billion, up by 12% versus Q1-2015 sustained by the 23% rise in new unsecured consumer loans which accounted for 70% of new loan volumes.

The performance of the non-retail segment was adversely impacted by the decline of loans to SMEs (-25% versus March 31, 2015). The portfolio of net loans to large corporate clients increased by 9.5% against March 31, 2015, in a context marked by the improvement of the macroeconomic situation and increased competitive pressures.

The customers' **deposits** structure at Group level evolved as follows:

RON bln	Mar-15	Dec-15	Mar-16	vs. Dec-15	vs. Mar-15
Retail	22.0	23.6	23.7	0.3%	7.9%
Individuals	18.8	20.2	20.6	2.0%	9.5%
Small business	3.2	3.5	3.1	-9.4%	-1.3%
Non-retail	13.9	17.4	14.8	-15.0%	6.9%
SMEs	5.2	6.4	5.7	-10.3%	9.8%
Large corporate	8.7	11.1	9.1	-17.8%	5.1%
Total deposits	35.9	41.1	38.5	-6.2%	7.5%

Deposits increased by 7.5% compared to March 31, 2015 with a particularly strong increase of deposits in current accounts from retail and non-retail clients. Market share on the individuals' segment increased to 13.9% at March 31, 2016 from 13.5% at March 31, 2015. The declines compared to year-end are due to the peak registered at 2015 end on seasonality grounds.

For the evolution of the main components of the net banking income please refer to "Financial results" section.

SUBSIDIARIES ACTIVITY

BRD SOGELEASE IFN SA

As of March 31, 2016, BRD Sogelease's net outstanding of leasing financing was RON 590 million, up by 11% versus March 31, 2015. New leasing production was RON 124 million compared to RON 59 million in Q1-2015.

The beginning of 2016 marked a significant improvement in terms of new financed volumes for both BRD Sogelease and the overall financial leasing market, the vehicles segment being the main contributor. There can be observed a continuous increase in demand from corporate clients on this segment. Equipment financing remains well represented in Q1-2016, with a share of 30% in total financing granted, ensuring the continuity of a balanced portfolio.

At December 31, 2015, BRD Sogelease had a market share of 6.4%.

BRD FINANCE IFN SA

BRD Finance results in Q1-2016 continued the positive trend from previous periods: the net loan portfolio increased by 5% compared to March 31, 2015 reaching RON 390 million, while the loan production recorded a strong increase, up 12% versus Q1-2015 due to increases especially on credit cards and loans for durable goods. Net banking income reached RON 22 million, up by 7% compared to Q1-2015.

This performance is sustained by the continuation of our strategy to further consolidate the partnerships with important retailers on the Romanian market, by the continuous optimization of internal processes and a strict control of costs and risks.

BRD ASSET MANAGEMENT SA

BRD Asset Management is one of the important actors on the Romanian UCITS market, with a market share of 12.3% at the end of March 2016, up from 12.1% at the end of March 2015. At the end of March 2016, the company had RON 2.8 billion under management versus RON 2.6 billion at the end of March 2015 (9% increase). Its revenues during the first quarter of 2016 were RON 3.6 million, up by 12% from RON 3.2 million in the first quarter of 2015.

BRD Asset Management offers 7 different open-end funds in terms of portfolio structure, risks and target yield, recommended investment period. Among those, BRD Simfonia, BRD Obligatiuni (denominated in RON), BRD Eurofond (denominated in Euro) and BRD USD Fond (denominated in USD) invest in fixed income and money market instruments and have no stock holdings. BRD Diverso is a diversified fund with investments in Central and Eastern Europe stock markets, the rest being invested mainly in money market and fixed income instruments for risk spread purposes. BRD Actiuni fund is focused on stocks, as well as BRD Index which is an index tracker fund.

4. FINANCIAL RESULTS AND RATIOS

FINANCIAL POSITION ANALYSIS

The below financial position analysis is made based on the separate and consolidated financial statements prepared according to the International Financial Reporting Standards, for the period ended March 31, 2016 and the comparative periods.

FINANCIAL POSITION – ASSETS

The total assets declined at March 31, 2016 by around 5% both for the Bank and for the Group compared to December 31, 2015 and increased slightly versus March 31, 2015. They had the following structure:

THE BANK

Assets (RONm)	Mar-15	Dec-15	Mar-16	% total	vs. Dec-15	vs. Mar-15
Cash and current accounts with Central Bank	5,968	8,820	5,781	12.4%	-34.5%	-3.1%
Loans and advances to credit institutions	3,251	2,288	2,303	5.0%	0.7%	-29.2%
Net loans and advances to customers	26,130	26,648	26,529	57.1%	-0.4%	1.5%
Other financial instruments	9,153	10,295	10,696	23.0%	3.9%	16.9%
Tangible and intangible assets	1,010	985	966	2.1%	-2.0%	-4.4%
Other assets	299	157	197	0.4%	25.9%	-34.0%
Total assets	45,811	49,193	46,472	100.0%	-5.5%	1.4%

THE GROUP

Assets (RONm)	Mar-15	Dec-15	Mar-16	% total	vs. Dec-15	vs. Mar-15
Cash and current accounts with Central Bank	5,968	8,820	5,781	12.2%	-34.5%	-3.1%
Loans and advances to credit institutions	3,279	2,315	2,331	4.9%	0.7%	-28.9%
Net loans and advances to customers	26,450	27,014	26,893	56.6%	-0.4%	1.7%
Financial lease receivables	530	549	590	1.2%	7.4%	11.2%
Other financial instruments	9,129	10,277	10,682	22.5%	3.9%	17.0%
Tangible and intangible assets	1,023	999	979	2.1%	-2.1%	-4.3%
Other assets	339	205	261	0.5%	27.3%	-23.1%
Total assets	46,717	50,179	47,515	100.0%	-5.3%	1.7%

LOANS AND ADVANCES TO CUSTOMERS

The net loans' outstanding amount to customers slightly increased compared to March 31, 2015 thanks to the evolution of loans to individuals and large corporate customers.

CASH, CURRENT ACCOUNTS WITH THE CENTRAL BANK AND LOANS AND ADVANCES TO CREDIT INSTITUTIONS

The most liquid assets of the Bank, namely cash and current accounts with the central bank and loans and advances to credit institutions decreased by 27% versus December 31, 2015 for both the Bank and the Group and by 12% versus March 31, 2015.

This aggregate accounted for about 17% of total assets for the Group compared to 22% at December 31, 2015 and 20% at March 31, 2015. The most important component is the minimum compulsory reserve held with the National Bank of Romania (RON 3,851 million for March 2016 from RON 4,275 million for December 2015 and RON 4,600 million for March 2015).

OTHER FINANCIAL INSTRUMENTS

Other financial instruments mostly represent treasury bills and bonds issued by the Romanian Government which are accounted as available for sale and trading instruments, and also derivatives. This aggregate represented ca. 23% of total assets and recorded an increase of around 4% compared

to December 31, 2015 and 17% compared to March 31, 2015. The expansion of the Government bonds' portfolio was the main driver of these evolutions.

TANGIBLE AND INTANGIBLE ASSETS

The tangible and intangible assets accounted for circa 2% of the total assets. The most important share is represented by land and buildings.

Total value of investments in Q1-2016 was of approximately RON 13 million for the Bank and the Group, compared to RON 16 million for the Bank and RON 17 million for the Group in Q1-2015, and were mainly IT related. There is no capitalized research and development expenditure.

FINANCIAL POSITION – LIABILITIES

The comparative statement of liabilities is as follows:

THE BANK

Liabilities and shareholders equity (RONm)	Mar-15	Dec-15	Mar-16	% total	vs. Dec-15	vs. Mar-15
Amounts owed to credit institutions	3,361	1,129	789	1.7%	-30.1%	-76.5%
Amounts owed to customers	35,926	41,192	38,624	83.1%	-6.2%	7.5%
Other liabilities	905	891	960	2.1%	7.8%	6.1%
Shareholders equity	5,619	5,981	6,100	13.1%	2.0%	8.6%
Total liabilities and shareholders equity	45,811	49,193	46,472	100.0%	-5.5%	1.4%

THE GROUP

Liabilities and shareholders equity (RONm)	Mar-15	Dec-15	Mar-16	% total	vs. Dec-15	vs. Mar-15
Amounts owed to credit institutions	4,032	1,881	1,557	3.3%	-17.2%	-61.4%
Amounts owed to customers	35,854	41,099	38,548	81.1%	-6.2%	7.5%
Other liabilities	951	942	1,024	2.2%	8.8%	7.7%
Shareholders equity	5,880	6,257	6,386	13.4%	2.1%	8.6%
Total liabilities and shareholders equity	46,717	50,179	47,515	100.0%	-5.3%	1.7%

AMOUNTS OWED TO CUSTOMERS

At March 31, 2016, the share in total liabilities of the customers' deposits was quasi-stable versus December 31, 2015, at approximately 96% for the Bank and 94% for the Group, demonstrating a high financial autonomy. As compared to March 31, 2015, the weight of customer deposits in total liabilities was up by 6 percentage points.

AMOUNTS OWED TO THE CREDIT INSTITUTIONS

Amounts owed to credit institutions represent interbank deposits, borrowings from International Financial Institutions and the Parent, and stood at circa 2% of the total liabilities for the Bank and 4% for the Group at March 31, 2016.

BRD Group's borrowings from Société Générale totalled circa RON 0.9 billion (2% of total liabilities).

SHAREHOLDERS' EQUITY

The shareholders' equity increased due to higher retained earnings and reserves from revaluation of available for sale assets.

The structure of the shareholders' equity evolved as follows:

THE BANK

Shareholders' equity (RONm)	Mar-15	Dec-15	Mar-16	vs. Dec-15	vs. Mar-15
Share capital	2,516	2,516	2,516	0.0%	0.0%
Reserves from revaluation of available for sale assets	385	380	435	14.3%	12.8%
Reserves from defined pension plan	10	12	12	0.0%	24.8%
Retained earnings and current result	2,708	3,073	3,137	2.1%	15.8%
Total shareholders' equity	5,619	5,981	6,100	2.0%	8.6%

THE GROUP

Shareholders' equity (RONm)	Mar-15	Dec-15	Mar-16	vs. Dec-15	vs. Mar-15
Share capital	2,516	2,516	2,516	0.0%	0.0%
Reserves from revaluation of available for sale assets	385	380	435	14.3%	12.8%
Reserves from defined pension plan	10	12	12	0.0%	24.8%
Retained earnings and current result	2,917	3,300	3,373	2.2%	15.6%
Non-controlling interest	52	49	51	3.1%	-2.7%
Total shareholders' equity	5,880	6,257	6,386	2.1%	8.6%

LIQUIDITY POSITION

Both the Bank and the Group maintained a balanced structure of resources and placements and a comfortable liquidity level in Q1-2016.

The net loans/deposits ratio reached 68.7% at March 31, 2016 (from 64.7% at December 31, 2015 and 72.7% at March 31, 2015) for the Bank and 71.3% for the Group, including financial lease receivables (from 67.1% at December 31, 2015 and 75.2% at March 31, 2015).

Q1-2016 FINANCIAL RESULTS

The comparative income statement of the Bank for the periods January – March 2016 and January – March 2015 is presented below:

RONm	Q1-2015	Q1-2016	Variation
Net banking income, <i>out of which</i>	596	611	2.5%
- net interest income	339	363	7.1%
- net commissions	172	181	5.0%
- other banking income	85	67	-21.1%
Operating expenses	-393	-386	-1.9%
- staff expenses	-155	-158	1.8%
- non-staff expenses	-238	-228	-4.3%
Operating profit	203	225	10.9%
Net cost of risk	-106	-145	36.7%
Gross result	97	80	-17.5%
Net result	82	63	-23.2%

The comparative income statement of the Group for the periods January – March 2016 and January – March 2015 is presented below:

RONm	Q1-2015	Q1-2016	Variation
Net banking income, <i>out of which</i>	629	647	3.0%
- net interest income	362	388	7.2%
- net commissions	180	189	4.8%
- other banking income	86	71	-18.2%
Operating expenses	-412	-405	-1.8%
- staff expenses	-166	-168	1.5%
- non-staff expenses	-246	-236	-4.0%
Operating profit	217	243	12.0%
Net cost of risk	-114	-152	32.4%
Gross result	102	91	-10.8%
Net result	85	73	-14.3%
Profit attributable to equity holders of the parent	85	71	-15.6%

BRD Group's net banking income increased by circa 3% in Q1-2016 versus Q1-2015 as a result of higher net interest income, thanks to positive interest rate and volume effects, and also net fees and commissions given increased revenues on card activity. Excluding non-recurring items (gains on sale of available for sale instruments in Q1-2015), net banking income rose by 6%.

BRD Group continued to focus on operational efficiency in Q1-2016. Operating expenses were reduced by 2% for the Group, and savings were registered with regards to real estate and sundry expenses. The Group registered an improvement in the cost/income ratio which reached 62.5% (65.5% in Q1-2015).

Q1-2016 was marked by a pronounced improvement in operational performance. Thus, gross operating income was up by 12% versus Q1-2015 (by 23% excluding non-recurring items).

Net cost of risk increased by 32% as compared to Q1-2015 due to further provisioning of non defaulted loan exposures. Following write-off operations of non-performing loans, the accounting non-

performing loans ratio decreased to 16.4% at March 31, 2016 end compared to 20.3% at March 31, 2015. The coverage of non-performing loans and leasing by IFRS provisions improved to 81.5% at March 31, 2016 from 72.8% at March 31, 2015.

As a result, BRD Group's net profit amounted to RON 73 million in Q1-2016 compared to RON 85 million in Q1-2015 translating into a return on equity of 4.6% (5.8% in Q1-2015) and return on assets of 0.7% (0.6% in Q1-2015). The Bank recorded similar trends which led to a net result to RON 63 million from RON 82 million in Q1-2015. The gross operating income and the net result were influenced by the booking in the first quarter of the entire annual contributions to the Bank Deposit Guarantee Fund and the Resolution Fund.

The financial statements as of March 31, 2016 include the impact of IFRIC 21 - Levies, whereby the annual contributions to the Deposit Guarantee Fund and to the Resolution Fund were booked in one tranche in the first quarter. The financial statements as of March 31, 2015 were restated accordingly, for comparison purposes.

Neither Bank's nor the Group's revenues depend on a single or group of connected customers; hence there is no risk that the loss of a customer might significantly affect the income level.

No important events were identified after the reporting date.

CAPITAL ADEQUACY (THE BANK)

	Mar-16	Dec-15	Mar-15
RONm			
Total Tier 1 capital	5,175	4,857	4,727
TOTAL OWN FUNDS	5,175	4,857	4,727
Total capital requirement	2,122	2,149	2,155
Risk weighted assets			
Credit risk (including counterparty risk)	23,941	23,975	24,884
Market risk	217	322	163
Operational risk	2,191	2,397	1,740
CVA risk	178	168	144
Total risk exposure amount	26,526	26,862	26,931
Regulatory CAR	19.51%	18.08%	17.55%

At Bank level, the capital adequacy ratio reached 19.5% at March 31, 2016 including the impact of prudential filters, well above the regulatory requirement.

CONCLUSIONS

In 2015, BRD registered substantial rise in profitability, expansion of the individual customer base and consistent progress on strategic and sound client segments – individuals and large corporate clients. In Q1-2016, BRD marked a good start to the year in terms of operational performance, as shown by the rise in gross operating income in an environment of low interest rates and moderate credit demand especially on companies' segment. Going forward in 2016, BRD is ready to take advantage of improved credit demand, by leveraging on its wide deposit base, comfortable solvency, powerful network and innovative capacity.

The interim financial report as at March 31, 2016 has not been audited.

Philippe LHOTTE

Chief Executive Officer



Petre BUNESCU

Deputy Chief Executive Officer



Stephane FORTIN

Chief Financial Officer

