BRD GROUP
RESULTS

3RD QUARTER AND FIRST 9 MONTHS 2015

6 NOVEMBER 2015

YOUR BANK. YOUR TEAM

BRD

GROUPE SOCIETE GENERALE

DISCLAIMER

The consolidated balance sheet and profit and loss account for the period ended September 30, 2015 were examined by the Board of Directors on November 4, 2015.

The financial information presented for the nine months ended September 30, 2015 and comparative periods has been prepared according to IFRS as adopted by the European Union and applicable at this date.

This financial information is at group level, does not constitute a full set of financial statements and is not audited.

CONTENT

Q3-2015: FINANCIAL PERFORMANCE REMAINS STRONG

3rd quarter confirmed improving trends observed earlier for revenues and loan generation

- Consolidated net profit of RON 110m in Q3-2015, significantly higher yoy thanks to lower cost of risk and continuous focus on costs
- Sequential improvement in revenues since Q1-2015, by ca. 2% in the last 2 quarters as retail demand is picking up and thanks to closely managed cost of funding
- Decreasing NPL ratio mainly due to write-off operations (down to 18.5% at September 2015 end from 21.1% at September 2014 end for the Bank)
- Higher NPL coverage with provisions thanks to prudent risk policies (76.0% at September 2015 end against 71.5% at September 2014 end for the Bank)

Comfortable solvency and strong balance sheet

- Expansion of net loans outstanding to individuals and large corporates versus 2014 end and September 2014 end
- Solvency ratio of 17.2% at September 2015 end versus 17.1% at September 2014 end (Basel III, Bank only)
- Net loans/deposits ratio of 70.1%, lower due to a wider deposit base

2015 outlook

- Further focus on the enhancement of customer satisfaction through multichannel access to products, tailored offers and business process streamlining
- Reduction in cost of risk to be the main profitability driver

KEY FIGURES (BRD GROUP)

		Q3-2014	Q3-2015	Variation	9M-2014	9M-2015	Variation
Financial results	Net banking income (RON m)	676	634	-6.2%	1,966	1,860	-5.4%
	Operating expenses (RON m)	(318)	(321)	0.7%	(960)	(954)	-0.6%
	Gross operating income (RON m)	357	313	-12.4%	1,006	906	-9.9%
	Cost of risk (RON m)	(468)	(185)	-60.3%	(968)	(454)	-53.1%
	Net result (RON m)	(90)	110	n.a.	38	380	10.1x
	Cost/Income	47.1%	50.6%	+3.5 pts	48.8%	51.3%	+2.5 pts
	ROE	-6.4%	7.3%	+13.8 pts	0.9%	8.6%	+7.6 pts

		Sep-14	Dec-14	Sep-15	vs.Sep-14	vs. Dec-14
Capital adequacy	CAR(*)	17.1%	17.2%	17.2%	+0.2 pt	+0.1 pt
Loans and deposits	Net loans (RON bn) (**)	27.6	26.8	26.8	-2.5%	1.3%
	Total deposits (RON bn) (**)	33.8	36.0	38.3	13.1%	7.1%
	Net loans/deposits	81.5%	74.5%	70.1%	-11.4 pts	-4.4 pts
Franchise	No of branches	868	860	842	(26)	(18)
	No of active customers (***) (x 1000)	2,176	2,234	2,205	30	(28)

(*) at individual level, according to Basel III, including the impact of prudential filters; (**) variations at constant FX rates. (***) at individual level

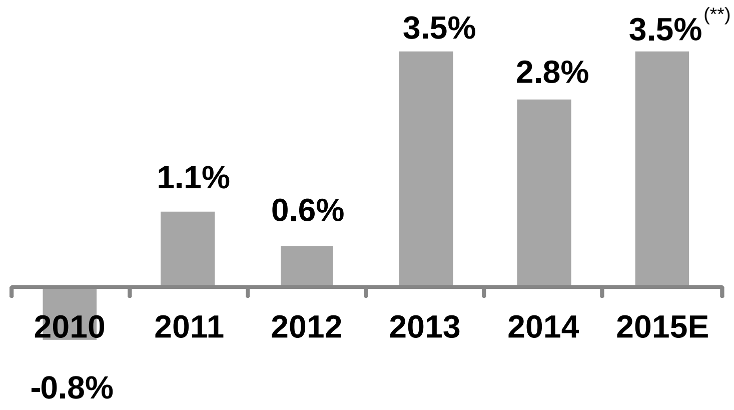
CHAPTER 02

MACROECONOMIC AND BANKING ENVIRONMENT

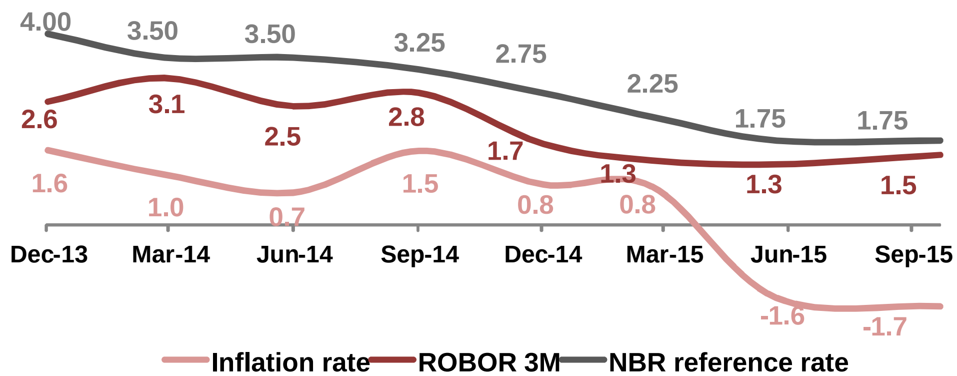
PRIVATE CONSUMPTION SUSTAINS ECONOMIC GROWTH

- Q2-2015 GDP rose by 3.8%* versus Q2-2014 due to growth in domestic demand and gross fixed capital formation.
- September 2015 CPI reached -1.7% vs. September 2014, crossing into negative territory starting with June following the extension of the VAT rate cut to all food products.
- NBR kept its dovish stance throughout 2015. It performed several rate cuts in the first part of the year but left the reference rate unchanged starting with May 2015, at 1.75%, amid domestic fiscal easing measures and tensions in Greece.
- The minimum reserves requirements were kept unchanged in 2015 for FX liabilities at 14% and were reduced to 8% for RON liabilities.

GDP EVOLUTION



INFLATION AND INTEREST RATES



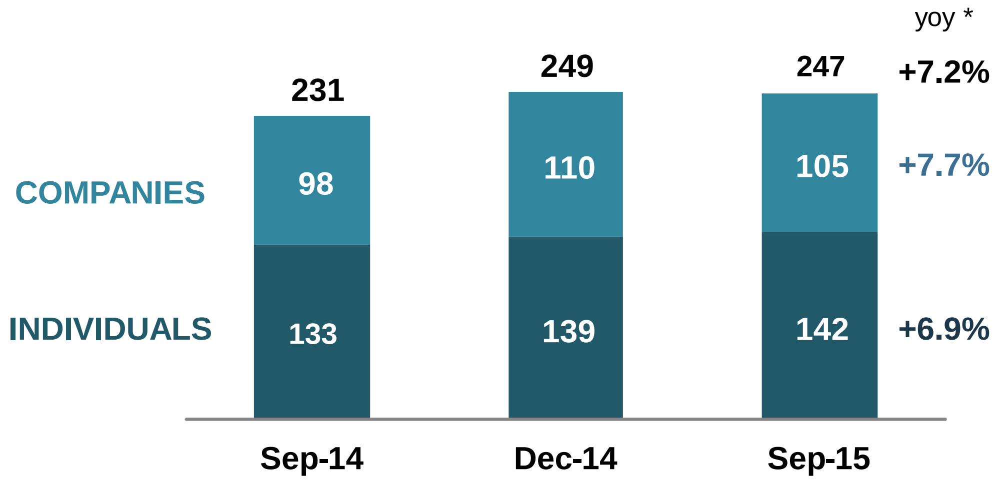
(*) seasonally adjusted, (**) according to Bloomberg consensus median

Sources: NIS, Eurostat, NBR

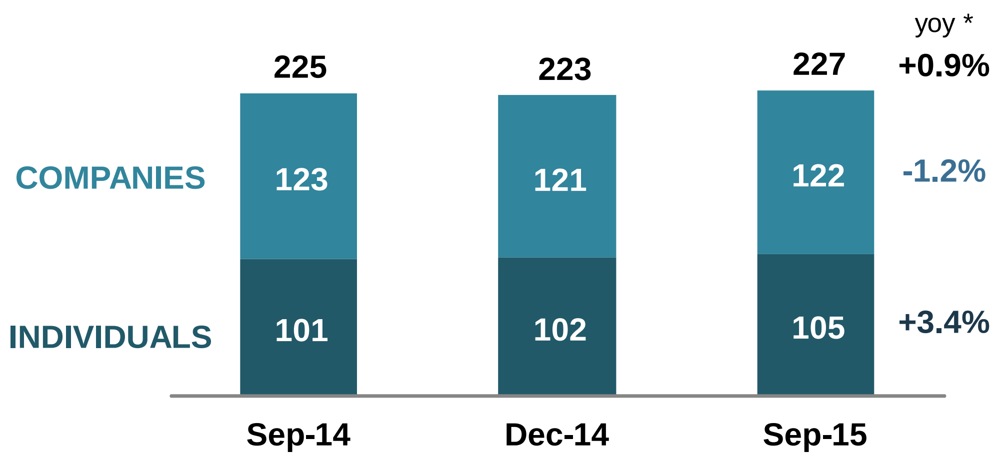
BANKING SECTOR:
HOUSEHOLD LOANS CONTINUE THEIR POSITIVE TREND

- 7.2% deposits growth at September 2015 vs. September 2014:
  - 6.9% higher individuals' savings, in spite of the low interest rate environment
  - 7.7% growth in companies' deposits, sustained mostly by the RON component
- 0.9% yoy increase in the volume of gross loans with contrasting evolutions for individuals and companies:
  - 3.4% increase in loans to individuals, with consumer loans down by 4.5% and housing loans up by 14.3%
  - 1.2% decline in loans to companies as a result of material write-off and sales operations performed last year
  - Demand for consumer loans is gradually recovering pushed up by higher wages and low interest rates; there are also recovery signs on the companies' side although year-to-date growth remains modest (+1.8%)

BANKING SYSTEM DEPOSITS (RON bn)



BANKING SYSTEM GROSS LOANS (RON bn)

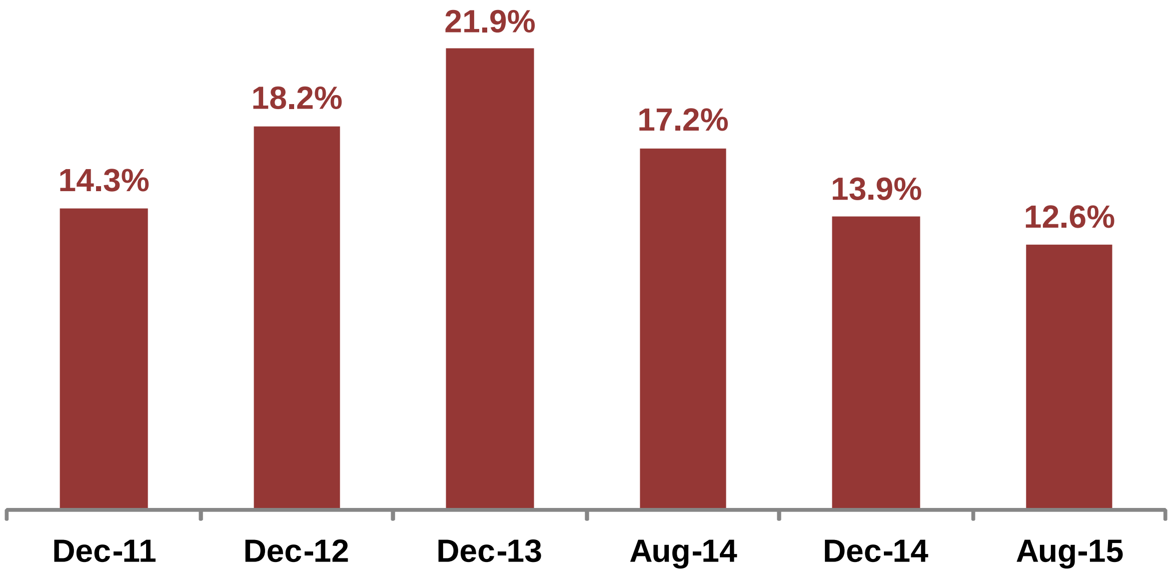


(*) *Variations at constant exchange rate*

Source: NBR

BANKING SECTOR:
SUBSTANTIAL YOY IMPROVEMENT IN NPL RATIO

BANKING SECTOR LOSS 2 INDICATOR*



- Lower NPL ratio in the banking system compared to the years 2012-2013 helped by write-off operations and sale of impaired receivables

- Coverage level of loans classified as Loss 2 with IFRS provisions of 69% as of August 2015, versus 70% at December 2014, 68% at December 2013 and 61% at December 2012.

(*) Regulatory ratio representing loans overdue more than 90 days and/or in litigation. Starting with 2014 NBR changed the methodology and widened the area of application by including banks with internal rating based approaches, which led to a decline in the NPL ratio.

Source: NBR

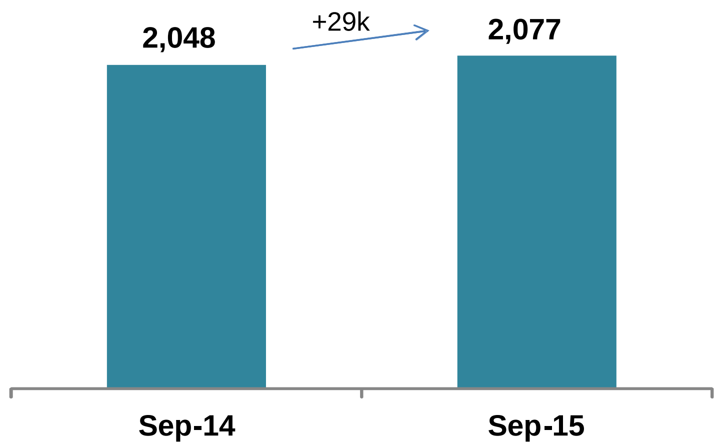
CHAPTER 03

3^{RD} QUARTER AND FIRST 9 MONTHS 2015 GROUP RESULTS

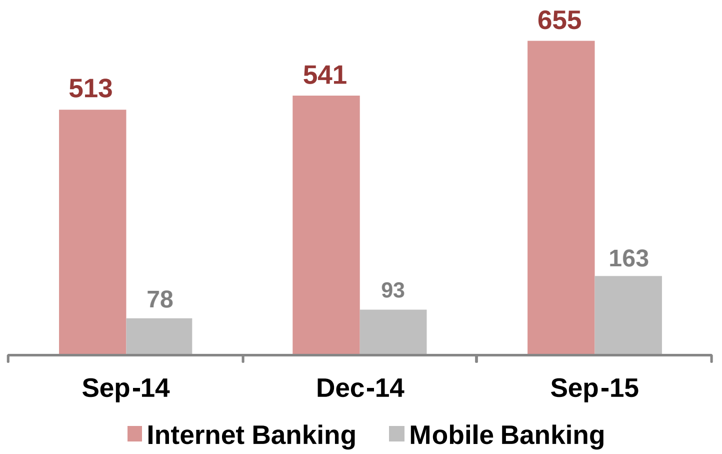
INCREASE IN THE NUMBER OF ACTIVE INDIVIDUAL CUSTOMERS

- +29,000 yoy increase in the number of active customers on the individuals' segment
- Higher equipment rate (number of products per active client) of individual customers compared to September 2014 and December 2014 due to a better penetration rate on the remote banking segment: 3.98 (Sept 30th, 2015) versus 3.92 (Sept 30th, 2014) and 3.87 (Dec 31st, 2014)
- The stock of remote banking contracts up by 39% at September 2015 end versus September 2014 end on a 28% increase in the number of internet banking products and 110% larger stock of mobile banking contracts

EVOLUTION OF ACTIVE INDIVIDUAL CUSTOMERS* (x 1000)



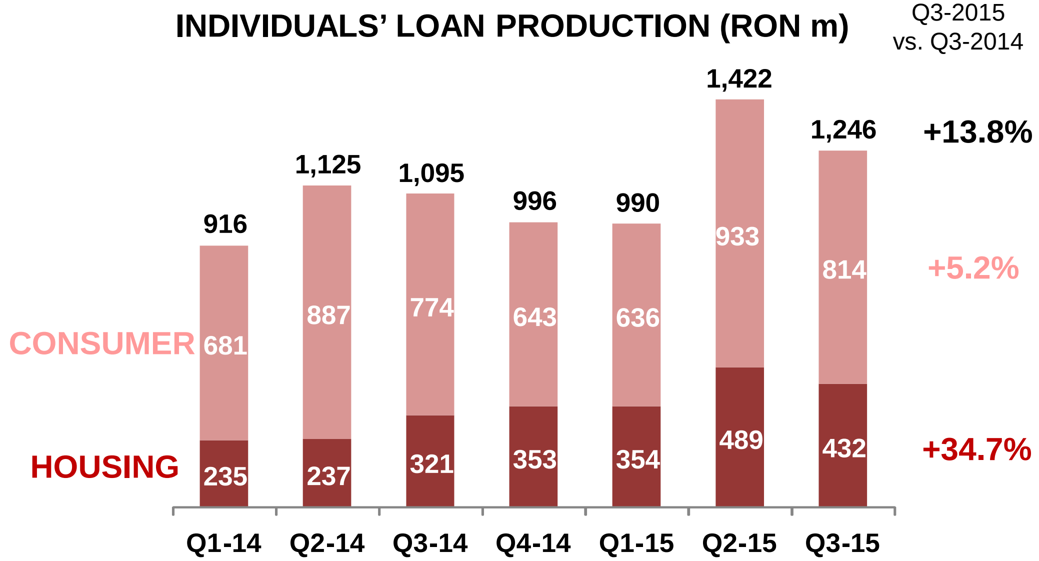
NUMBER OF REMOTE BANKING CONTRACTS FOR INDIVIDUALS* (X 1000)

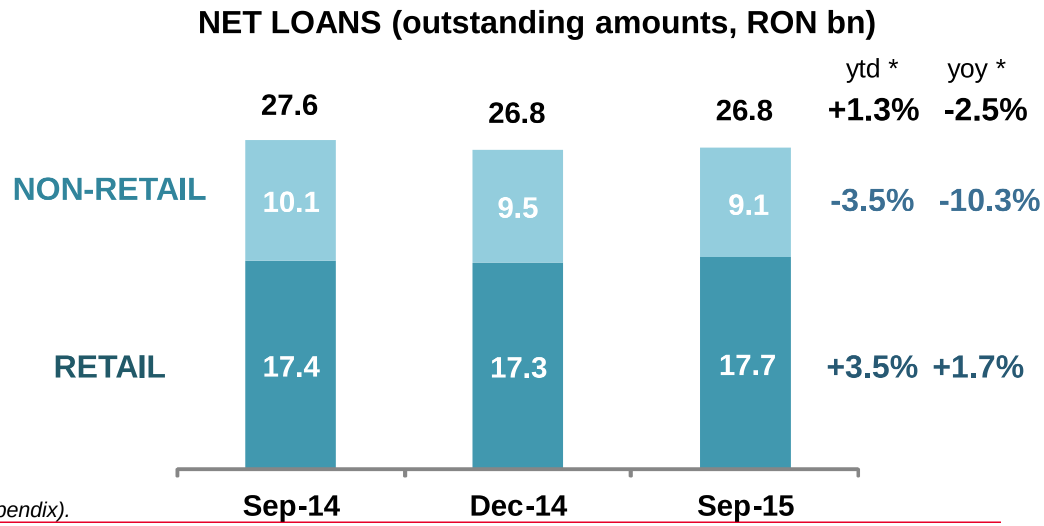


(**) *Bank only*

CONFIRMED IMPROVEMENT OF INDIVIDUALS' LOAN PRODUCTION

- Rising demand from individuals led to 14% higher yoy loan production over Q3-2015, and 17% yoy increase during the first 9 months 2015:
  - Housing loans remain the main driver (+61% in the first 9 months 2015 and +35% yoy in Q3-2015);
  - Interest in consumer loans is mounting consistently albeit from a relatively low base (+5% yoy increase of loan production in Q3-2015 and +2% yoy over the first 9 months 2015)
- Outstanding net retail loans confirmed the positive trend observed earlier this year, rising by 3.5% ytd and 1.7% yoy, supported by housing loans and milder decline of consumer loans
- Net loans to large corporate clients increased by 3.3% versus September 2014 end, in a more favorable macroeconomic environment
- The still low eligible demand for financing from SMEs led to the annual decrease of net loans outstanding



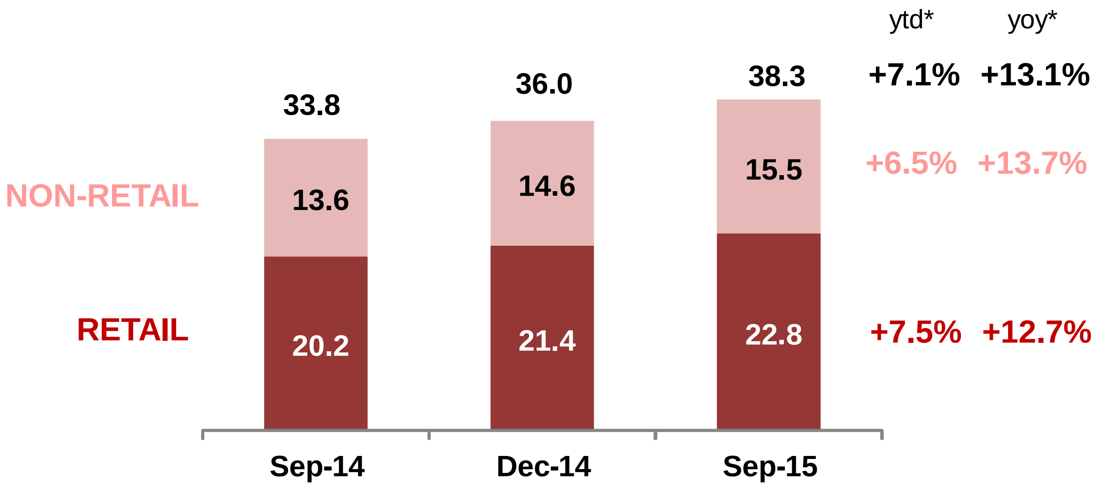


(*) Variations at constant exchange rate
Note: The Retail Segment is comprised of Individuals and Small Business (see Appendix).

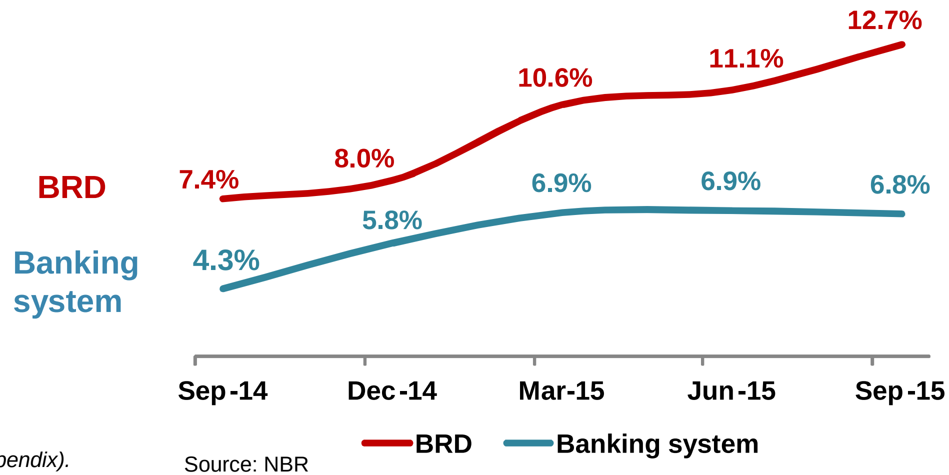
CONSISTENT GROWTH OF THE DEPOSITS BASE

- Deposits on a growing trend compared to September 2014 end and December 2014 end (+13.1% and +7.1% respectively) both retail and non-retail clients showing material propensity to save
- Expansion of household deposits (+12.7% yoy and +8.1% ytd), in line with the bank's strategy of attracting more stable funding sources, leading to a market share on this segment of 13.9% as of September 2015, up from 13.2% as of September 2014
- Strong rise in deposits in current accounts from retail (+36% yoy) as well as non-retail clients (+44% yoy)

DEPOSITS (outstanding amounts, RON bn)



HOUSEHOLD DEPOSITS EVOLUTION (yoy*)

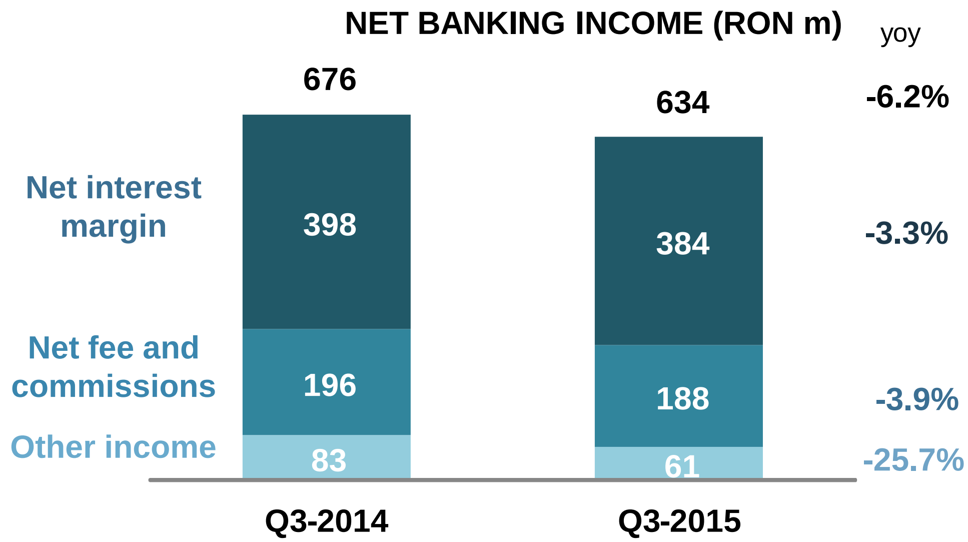


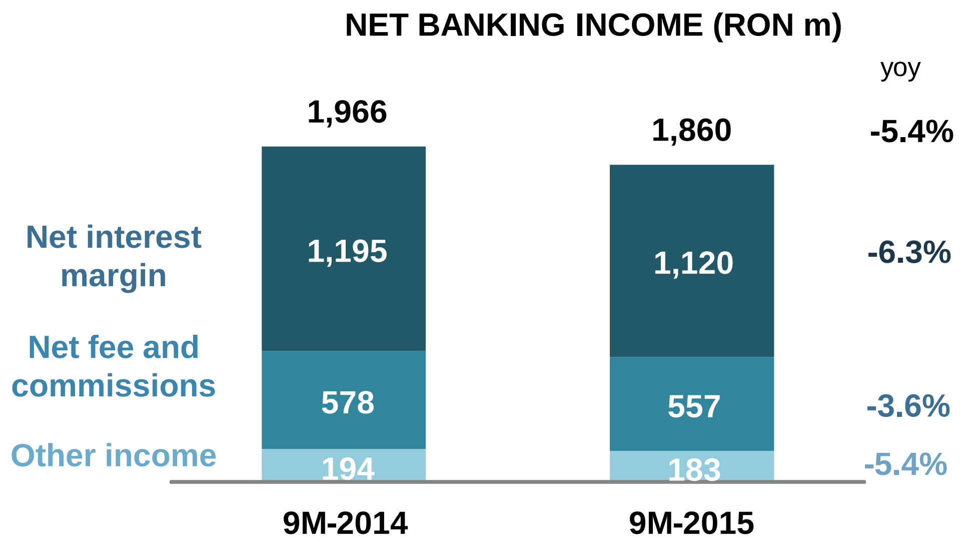
Source: NBR

(*)Variations at constant exchange rate
Note: The Retail Segment is comprised of Individuals and Small Business (see Appendix).

YOY EVOLUTION OF REVENUES STILL AFFECTED BY LOW INTEREST RATES

- Narrowing net interest margin in Q3-2015 versus Q3-2014, given the falling interest rates context:
  - ➢Historically low interest rates…
    - ➢ Average ROBOR 3M: 1.37% in Q3-2015 from 2.39% in Q3-2014
    - ➢ Average EURIBOR 3M: -0.03% in Q3-2015 from 0.16% in Q3-2014
  - ➢ …led to a decline of average assets' yield, partially offset by the cut of cost of funding
- Slight yoy contraction of revenues from commissions in Q3-2015 from cut or reduction of some fees and commissions, and non-recurrent revenues in 2014 on corporate finance services; higher revenues from internet and mobile banking services, cash handling, custody and asset management

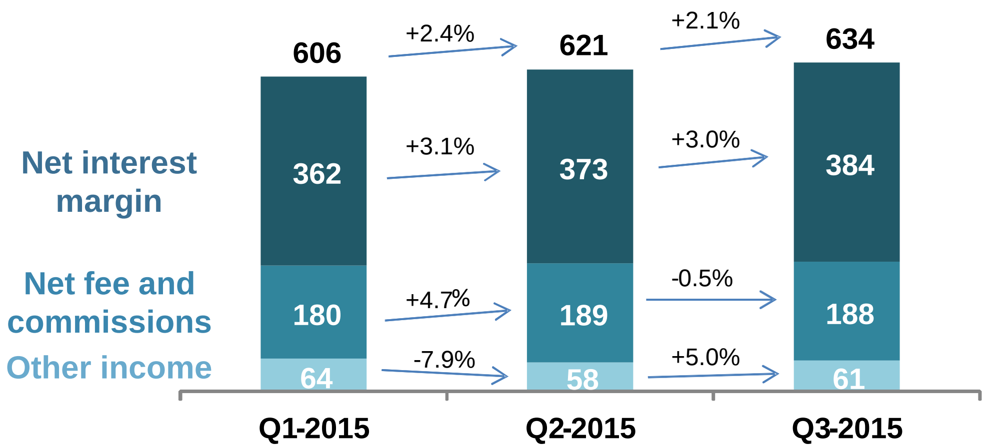




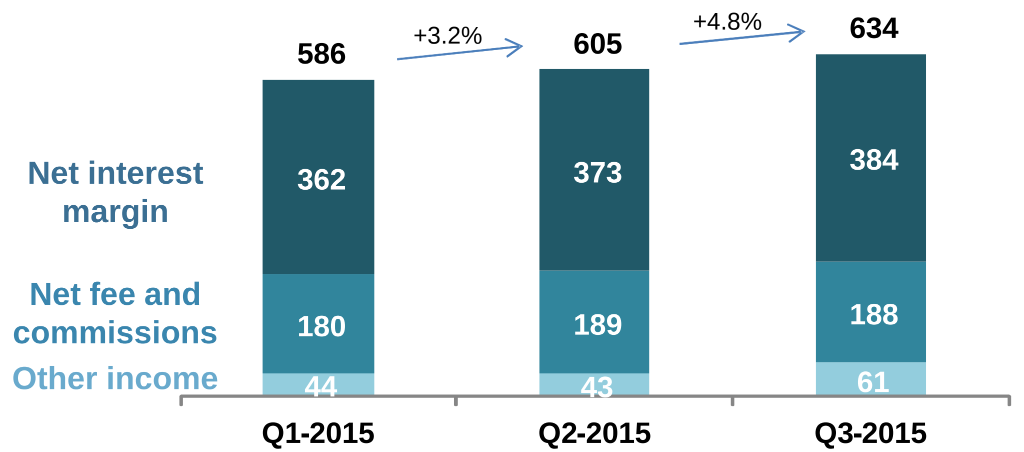
FURTHER RISE IN REVENUES VERSUS THE PREVIOUS QUARTER IN Q3-2015

- +2.1% qoq increase of net banking income in Q3-2015, after a similar evolution in Q2-2015 (+2.4%), on gradual pick-up of retail loan demand and sharp reduction in cost of funding
- Sequential growth of revenues was higher excluding non-recurring items booked in the first 2 quarters of 2015 (dividend revenues and sale of available-for-sale bonds and fund units)
- Positive trend of net interest margin (+ca. 3% each quarter) thanks to cut in cost of funding
- Resilient net fee and commissions in the 3rd quarter versus the previous one
- Higher other banking income in Q3-2015 versus Q2-2015 partially as a result of larger trading revenues

NET BANKING INCOME (RON m)

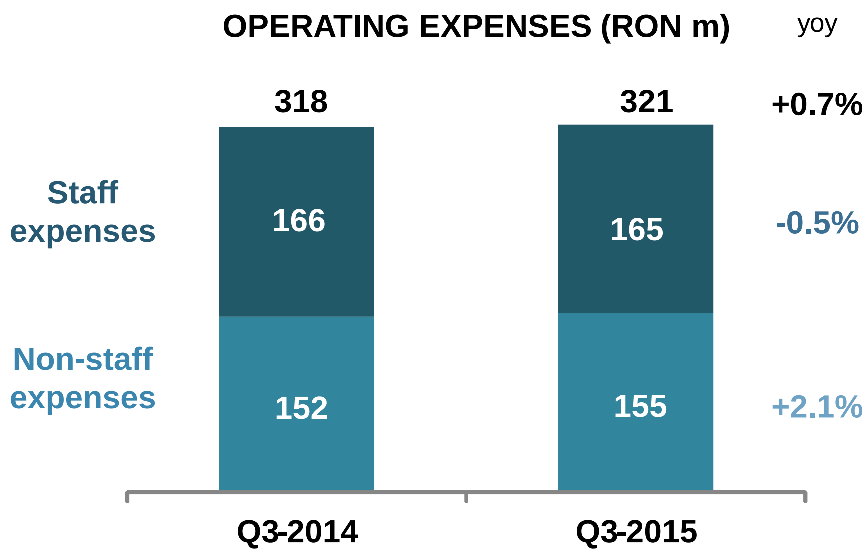


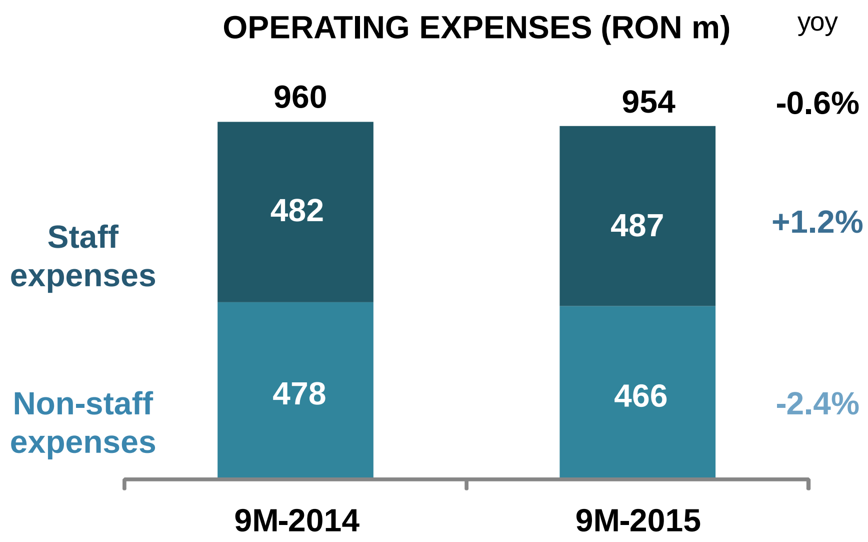
NET BANKING INCOME EXCLUDING NON-RECURRING ITEMS (RON m)



CONTAINED COSTS

- Contained opex (+0.7% up yoy) in Q3-2015:
  - Staff expenses well under control vs. Q3-2014;
  - 1.2% yoy increase in staff costs in the first 9 months of 2015, but almost stable (+0.2%) excluding one-off item (employer contribution for the Free Share Programme)
  - Savings on real estate and consultancy services costs
- 9.5% overall decline in operating costs in 2014 versus 2011:
  - 7.4% lower staff costs in 2014 versus 2011 following a 6.3% reduction in the number of FTEs
  - 11.5% lower non-staff expenses in 2014 versus 2011 as a result of streamlining processes and savings mainly in IT and real-estate
- Cost/income ratio of 50.6% in Q3-2015 and of 51.3% for 9 months 2015, below banking system average

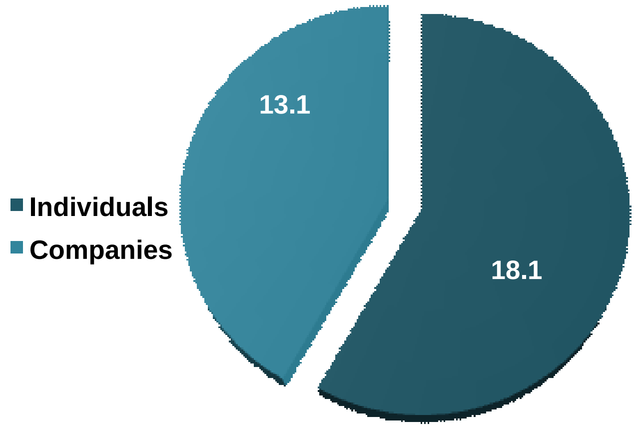




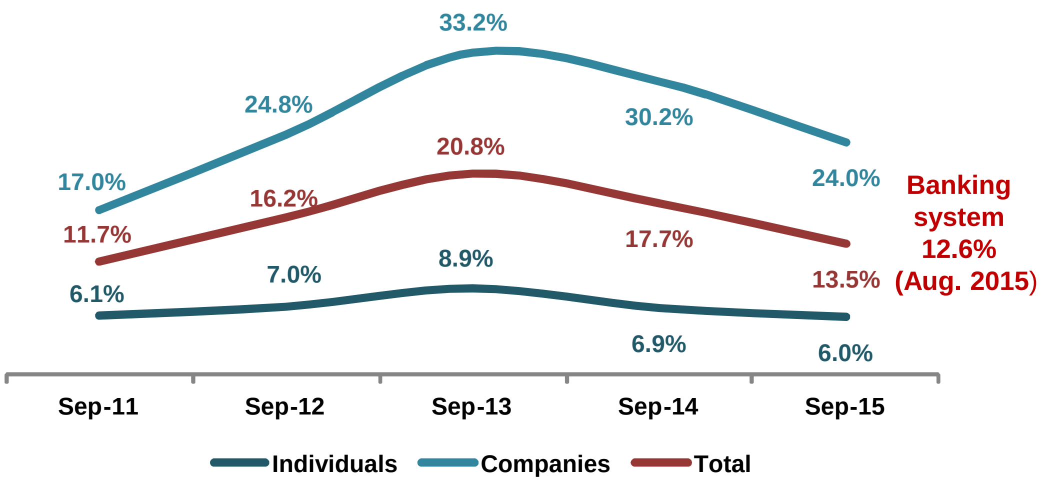
ASSET QUALITY

- A balanced loan portfolio from a market mix perspective:
  - 58.1% on individuals segment
  - 41.9% on companies' segment
- NPL ratio
  - Decreasing loss2 ratio - in line with the evolution observed at the level of the whole Romanian banking sector
  - Reflecting write-offs performed in 2014 and 2015
- Outlook
  - Expected improvement of NPL ratio
  - Continued positive impact from BRD's improved risk management and governance function

GROSS LOANS – September 30, 2015 SPLIT BY SEGMENT (RON bn)



NPL (LOSS 2) RATIO BY SEGMENT*

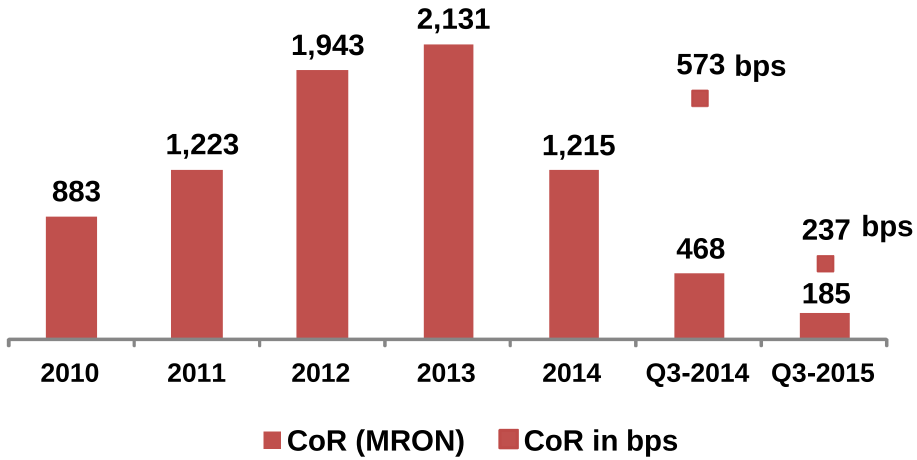


(*) at individual level

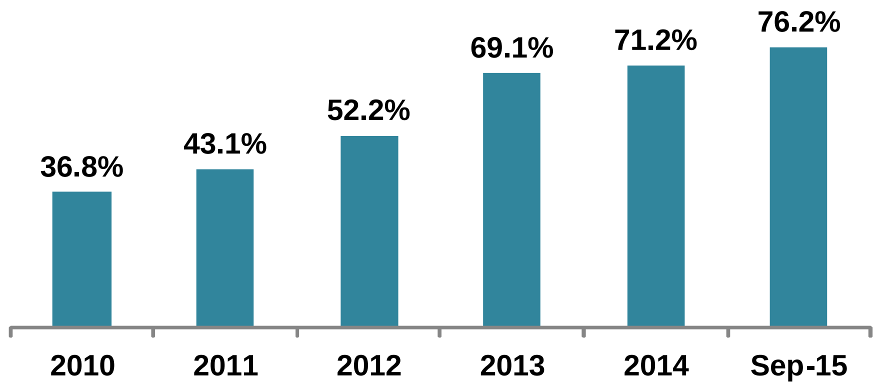
SOLID COVERAGE RATIO AND DECLINING COST OF RISK

- 2015 provisioning efforts focused on SMEs
- Net cost of risk Q3-2015 evolution:
  - Increase against previous quarter due to recalibration of provisioning parameters for non-defaulted portfolio
- Increased BRD Group NPL coverage ratio:
  - From 36.8% in 2010 to 76.2% as of June 2015 end
  - Normalisation of risk indicators to be confirmed during coming quarters

COST OF RISK EVOLUTION (RON m)



NPL COVERAGE RATIO*



(*) *Coverage of accounting non-performing loans with IFRS provisions , for the Group*

CONTINUED REINFORCEMENT OF FINANCIAL AUTONOMY

- Consolidation of net loans/deposits ratio which reached 70.1% at end of September 2015, versus 81.5% at September 2014 end, showing BRD is well prepared to benefit from a meaningful recovery in credit activity

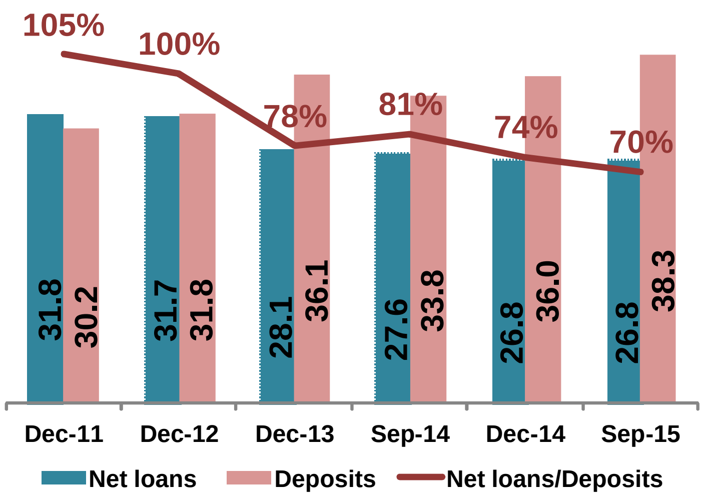
- Excess of liquidity primarily invested in Treasury securities which allows BRD to:

  - maintain an adequate liquidity buffer
  - hedge its exposure to interest rate risk in RON

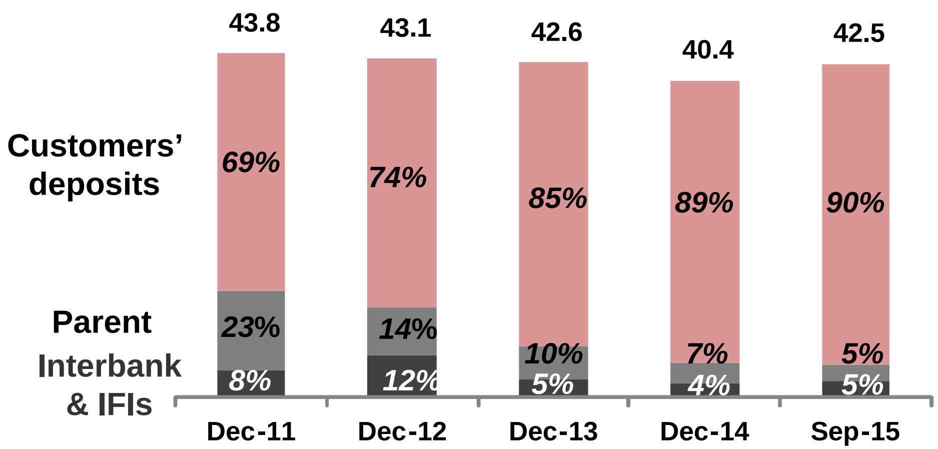
- Policy of diversification of resources:

  - Growing deposits' base → increase of the share of deposits in total liabilities from 69.0% at 2011 end to 90.1% at September 2015 end
  - Funding from the parent decreased from 23.3% of total liabilities at 2011 end to 5.3% at September 2015 end
  - In Q3-2015 BRD repaid to the parent the EUR 100m subordinated debt.

NET LOANS AND DEPOSITS (RON bn)



LIABILITIES STRUCTURE (RON bn)



OWN FUNDS SAFELY ABOVE CAPITAL REQUIREMENTS

- Solid capital base composed of high quality Tier 1 eligible instruments: share capital, retained earnings, reserves
- Capital adequacy safely above regulatory requirements: CAR reached 17.2% as at September 2015 relatively unchanged versus December 2014, on a standalone basis

Basel III (Bank only)	**Sep-14**	**Dec-14**	**Sep-15**
Capital adequacy ratio	17.1%	17.2%	17.2%
Own funds (RONm)	4,712	4,614	4,572
Total risk exposure amount (RONm)	27,621	26,873	26,535
Capital requirements (RONm)	2,210	2,150	2,123

Notes: Figures are at individual level, with national discretions; 2014 own funds include net profit for the year.

CHAPTER 04

CONCLUSIONS

CONCLUSIONS

- In the first 9 months of 2015, BRD Group achieved a sharp rise in earnings, thanks to further efforts to improve the quality of the loan portfolio and focus on cost control.
- The positive signals observed earlier this year regarding retail and large clients activity were confirmed in the 3rd quarter and led to sequential increase of revenues.
- On the short term the low interest rates have a negative impact on revenues compared to the previous years, but on the longer run they also offer opportunities for lending growth and sustain the faster recovery of the Romanian economy.
- As the recovery of the credit activity is taking shape, BRD Group is well equipped to capture growth by capitalizing on its strong balance sheet and diversified client base.
- The group will focus on ever enhancing customer satisfaction and on prudent cost and risk management, which should translate into sustainable, profitable growth. We remain confident in the growth potential of all our business lines.

Q&A

Session

APPENDIX

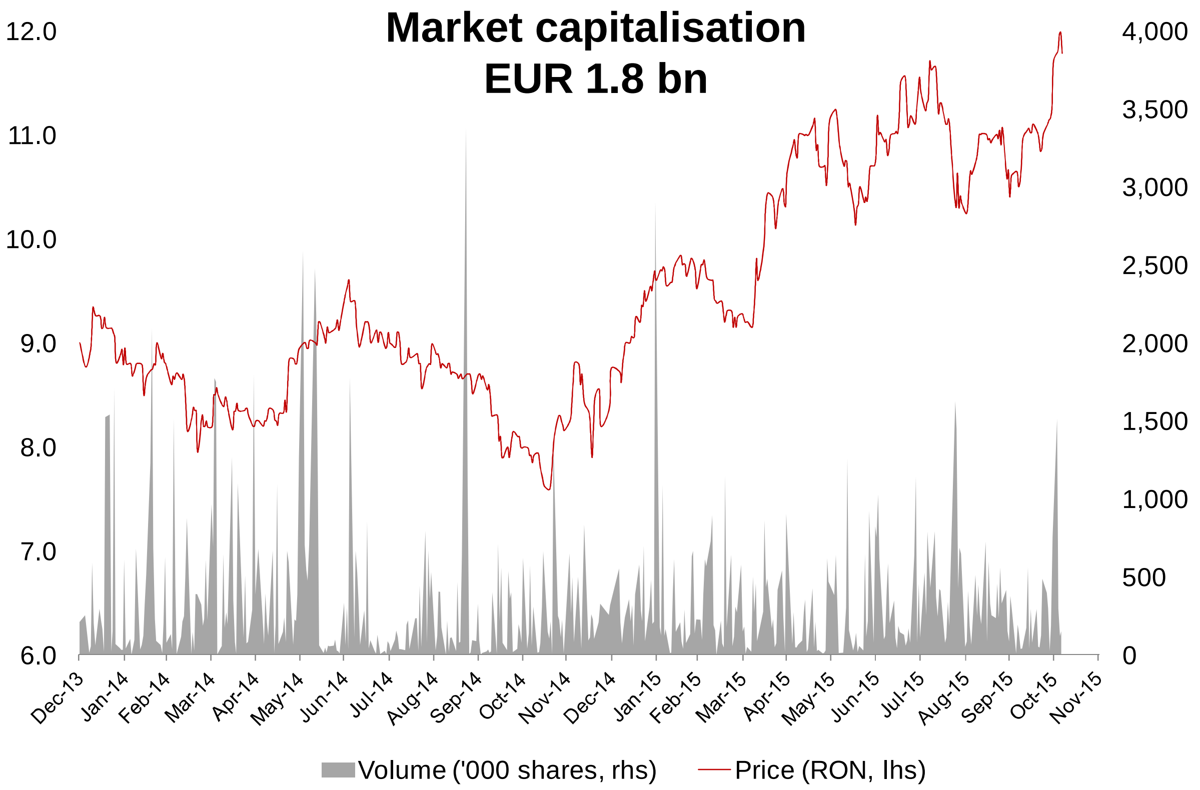
BRD KEY FIGURES (BANK ONLY)

		Q3-2014	Q3-2015	Variation	9M-2014	9M-2015	Variation
Financial results	Net banking income (RON m)	635	597	-5.9%	1,879	1,768	-5.9%
	Operating expenses (RON m)	(301)	(303)	0.7%	(909)	(899)	-1.1%
	Gross operating income (RON m)	334	294	-11.9%	970	869	-10.4%
	Cost of risk (RON m)	(460)	(171)	-62.8%	(952)	(427)	-55.2%
	Net result (RON m)	(103)	101	n.a.	20	369	18.3x
	Cost/Income	47.4%	50.7%	+3.3 pts	48.4%	50.8%	+2.5 pts
	ROE	-7.6%	7.0%	+14.7 pts	4.6%	9.7%	+5.0 pts

		Sep-14	Dec-14	Sep-15	vs.Sep-14	vs. Dec-14
Capital adequacy	CAR(*)	17.1%	17.2%	17.2%	+0.2 pt	+0.1 pt
Loans and deposits	Net loans (RON bn) (**)	27.3	26.5	26.5	-2.8%	0.8%
	Total deposits (RON bn)(**)	33.9	36.0	38.4	9.5%	4.9%
	Net loans/deposits	80.4%	73.4%	69.0%	-11.4 pts	-4.4 pts
Franchise	No of branches	868	860	842	(26)	(18)
	No of active customers (x 1000)	2,176	2,234	2,205	30	(28)

(*) according to Basel III, including the impact of prudential filters, (**) variations at constant FX rates

BRD STOCK PRICE PERFORMANCE



- BRD is part of the main market indexes on the Bucharest Stock Exchange (BET Index, BET Plus Index, BET-XT Index, BET-TR Index)
- BRD is in Top 5 largest domestic companies listed on the domestic stock exchange
- BRD's share price reached RON 11.8 as of 5 November 2015, up by 35% versus the end of 2014

Sources: Bloomberg, Bucharest Stock Exchange

FINANCIAL CALENDAR FOR 2015

- **9 April: General Shareholders Meeting**
- **9 April: Publication of the 2014 Board of Directors Report**
- **6 May: Q1-2015 results publication**
  - 8 May: Presentation of the financial results for Q1-2015 (conference call and webcast)
- **5 August: H1-2015 results publication**
  - 5 August: Presentation of the financial results for Q2-2015 and H1-2015 (conference call and webcast)
- **5 November: 9M-2015 results publication**
  - 6 November: Presentation of the financial results for Q3-2015 and first 9 months 2015 (conference call and webcast)

GLOSSARY – CLIENT SEGMENTATION

- The **Retail** category is comprised of the following customer segments:

  - **Individuals** – BRD provides individual customers with a range of banking products such as: savings and deposits taking, consumer and housing loans, overdrafts, credit card facilities, funds transfer and payment facilities.

  - **Small business** – business entities with annual turnover lower than EUR 1m and having an aggregated exposure at group level less than EUR 0.3m. Standardized range of banking products is offered to small companies and professionals: savings and deposits taking, loans and transfers and payment services.

.

- The **Non-Retail** category is comprised of the following customer segments:

  - **Small and medium enterprises** - companies with annual turnover between EUR 1m and EUR 50m and the aggregated exposure at group level higher than EUR 0.3m. The Bank provides SMEs with a range of banking products such as: savings and deposits taking, loans and other credit facilities, transfers and payment services.

  - **Large corporate** - within corporate banking BRD provides customers with a range of banking products and services, including lending and deposit taking, provides cash-management, investment advices, securities business, project and structured finance transaction, syndicated loans and asset backed transactions. The large corporate customers include companies with annual turnover higher than EUR 50m, municipalities, public sector and other financial institutions.

THANK YOU

Investor Relations
Tel. : +4 021 380 47 62
Email : investor@brd.ro
Homepage: www.brd.ro