



From:	<b>Board of Directors</b>	Date: 24.03.2009
To:	<b>Ordinary General Meeting of the Shareholders</b>	Visa of the Chairman-CEO:
Subject:	<b>2009 Budget and Objectives</b>	

**Decision draft**

The Ordinary General Meeting of the Shareholders approves the income and expense budget for 2009, as well as the objectives of the fiscal year 2009.

**SYNOPSIS**

Annex: 2009 Budget and Objectives

# General Meeting of the Shareholders

## 2009 BUDGET

April 29, 2009



**BRD**  
GROUPE SOCIETE GENERALE

## **I. ADAPTING THE COMMERCIAL OBJECTIVES TO THE CURRENT ECONOMIC CONTEXT**

- Reducing the credit increase rate: + 10 %
- Strengthening the liquidity level of the bank
- Proactive policy of attracting deposits: + 10 - 15%

## I. ADAPTING THE COMMERCIAL OBJECTIVES TO THE CURRENT ECONOMIC CONTEXT

- Compensating for the increase in the cost of resources:

2007 – 4.53 %

2008 – 5.62 %

2009 – 6.79 %

- by increasing the absorption rate in loan interest rates:

2007 – 10.36 %

2008 – 10.79 %

2009 – 11.78 %

- Prudent risk management
- Maintaining the market shares

## II. STRENGTHENING OF THE COMMERCIAL POSITION

### Private customers

1. From a quantity-oriented to a more quality-oriented growth:
  - penetration rate
  - developing the customer's loyalty
2. Promoting and marketing the product packages and the credit card ("Punct card")
3. Starting the segmentation of the large customer mass
4. Launching programs dedicated to the customer relationship management for "bonne gamme" customers (started in 2009)
5. Adequate training of clipro consultants

## II. STRENGTHENING OF THE COMMERCIAL POSITION

### Corporate customers

Seize the opportunities, given the changes in the competitive environment

#### ➤ SME

- increase the market shares selectively
- getting more involved in the financing of agriculture (absorbing the European funds)

#### ➤ Major Corporate Customers

Supporting the European funds for large projects

#### ➤ Leasing

Strengthening our 3rd position on the market

### **III. INCREASE THE EFFICACY AND RELIABILITY OF SYSTEMS AND PROCESSES**

Impeding the increase of the general expenses

Anticipation: General expenses stability plan

- Staff – constant personnel in 2009
- Highly selective expenses
  - Decrease of operational risk
  - Improvement of productivity

### **III. INCREASE THE EFFICACY AND RELIABILITY OF SYSTEMS AND PROCESSES**

#### **FIABILITY**

- Diminishing the operational risk:
  - fortify the security in the agencies
  - computerized management of authorizations
  - automation of IT pre-production, SIRON

The audit staff has reached 100 persons (80 as at end 2008).
- Finishing the Basel II –ALM regulation and management projects
- Creating a National Archives Centre

#### **EFFICACY**

- Purchasing a land for the second headquarters
- Creating the fourth group in Bucharest
- Setting up the second Regional Customer Service Centre



## IV. MAINTAINING SATISFACTORY PRODUCTIVITY AND PROFITABILITY CONSIDERING THE CURRENT ECONOMIC CONTEXT

- **EBIT:** + 10%- 15%
- **Net Cost of Risk:** increase in the current context (+60-70%)
- **Income:** approximately stable as compared to 2008
- **ROE:** around 30%
- **Operating ratio:** relatively stable 42%
- **Balance sheet 12/2009 :** € 13 bn.

**Economic environment**

	<b>Realized 2007</b>	<b>Realized 2008</b>	<b>Forecasts 2009 (Budget)</b>	<b>Forecasts 2009 (Current)</b>
<b>Gross Domestic Product</b>	<b>6.0%</b>	<b>7.1%</b>	<b>5.0%</b>	<b>0% -2.0%</b>
<b>Inflation rate</b>	<b>6.6%</b>	<b>6.3%</b>	<b>6.0%</b>	<b>5.0%</b>
<b>Average market rate</b>				
<b>ROBOR 1M</b>	<b>7.85%</b>	<b>12.45%</b>	<b>12.00%</b>	<b>14%</b>
<b>EURIBOR 3M</b>	<b>4.28%</b>	<b>4.63%</b>	<b>4.50%</b>	<b>2%</b>
<b>Rate of exchange (end of period)</b>				
<b>EUR / LEI</b>	<b>3.61</b>	<b>3.99</b>	<b>4.00</b>	<b>4.30</b>
<b>Rate when creating the compulsory minimum reserve</b>				
<b>Lei</b>	<b>20%</b>	<b>18%</b>	<b>20%</b>	<b>17% (average)</b>
<b>Devises</b>	<b>40%</b>	<b>40%</b>	<b>40%</b>	<b>40%</b>

# Deposits and Loans

(million RON)	Realized 2007	Realized 2008	Evolution 08/07	Perspectives 2009
<b>Deposits</b>	<b>27,011</b>	<b>28,552</b>	<b>6%</b>	<b>10 - 15%</b>
Of which: Private	12,075	13,055	8%	15 - 20%
Corporate	14,936	15,497	4%	5%
<b>Loans</b>	<b>28,821</b>	<b>37,932</b>	<b>32%</b>	<b>10%</b>
Of which: Private	13,493	16,512	22%	5 - 10%
Corporate*)	15,328	21,420	40%	10 - 15%
*) relocated loans included				

**Profit and loss account (consolidated)**

(million RON)	Realized 2007	Realized 2008	Evolution 08/07	Perspectives 2009
<b>Net Banking Income</b>	<b>2,512</b>	<b>3,199</b>	<b>27%</b>	<b>+10-15%</b>
Of which: Interest margin	1,188	1,441	21%	
Fees	989	1,297	31%	
<b>Operating expenses</b>	<b>(1,106)</b>	<b>(1,358)</b>	<b>23%</b>	<b>+10-15%</b>
<b>Gross operating income</b>	<b>1,406</b>	<b>1,841</b>	<b>31%</b>	<b>+10-15%</b>
<b>Net cost of risk</b>	<b>(298)</b>	<b>(484)</b>	<b>62%</b>	<b>+60-70%</b>
Corporate tax	(177)	(220)	24%	
<b>Net result</b>	<b>931</b>	<b>1,138</b>	<b>22%</b>	<b>-10% -0%</b>
Net result (including Asiban )		1,364	46%	

## Operating expenses and Investments

	(million RON)	Realized 2007	Realized 2008	Perspectives 2009
<b>Operating expenses</b>		<b>1,106</b>	<b>1,358</b>	<b>+10 - 15%</b>
Personnel		508	620	
Other expenses		598	738	
<b>Total investments (mil. EUR)</b>		<b>68.9</b>	<b>64.8</b>	<b>Approx. 60 ME</b>
Of which: Transversal projects		55.7	49.6	
Other investments in IT and monetics		11.3	13.2	
Other real estate investments		1.8	2.0	

**Indicators**

	<b>Consolidated</b>	<b>Realized 2007</b>	<b>Realized 2008</b>	<b>Perspective 2009</b>
<b>ROE without Asiban</b>	<b>35.4%</b>	<b>32.8%</b>		<b>approx 30%</b>
<i>ROE with Asiban</i>		<i>38.6%</i>		
<b>C/E without Asiban</b>	<b>44.0%</b>	<b>42.5%</b>		<b>constant</b>
<i>C/E with Asiban</i>		<i>39.2%</i>		
<b>Cost of commercial risk - (bp)</b>	<b>110</b>	<b>137</b>		<b>200 - 220 BP</b>