Budget 2012

General Assembly Meeting
Synthesis

- Strategic goal for 2012 is to facilitate the rebound out of crisis and to strengthen the leader position on the market on medium term
  - Progressive reload of economic activity, but uncertainties still persist
  - Commercial development to resume selectively
  - Diversity of the sources of funding
  - Further improving efficiency of the infrastructure
  - Improvement of the profitability
Progressive reload of economic activity, but uncertainties still persist

- Economic
  - Factors of uncertainty
    - Political situation: 2012 is an election year
    - Always moderate mobilization of European’s Funds
    - Degradation of the environment in the Euro area
  
  - Positifs factors
    - Inflation under control for the moment
    - Decline still relatively moderate concerning the foreign transfers
    - Maintaining the budget deficit within limits negotiated with International Financial Institution
    - Foreign currency reserves at satisfactory level

- Banking and Finance
  - Additional charges imposed by the regulation
    - Additional contribution and extension of the perimeter of guaranteed Deposits
    - New regulations aimed to limit the lending in foreign currency for individuals
    - New regulation on bank liquidity (Basel 3)
Commercial development to resume selectively (1)

- **Priority objectives**
  - Maintain/increase the market shares
  - Reload the development
  - Maintaining strict control of risk

- **Improve customer equipment**

- **Development axes:**
  - Continuing the process of innovation and lounching of new products
  - Development of the multi-channel approach
  - Diversification of sources of incomes in collaboration with JV - SGCIB
  - Development of the actions of promotion

- **Further development of agencies dedicated to customer Haut de Gamme**

- **Strengthen the mutualisation between BRD and subsidiaries**
Commercial development to resume selectively (2)

- **Individuals: adaptation to the gradual recovery of the lending activity**
  - Consumer credit:
    - supported by promotional offers / refinancing
    - new conventions dedicated to income clients
  - Mortgages:
    - Continuation of the program Prima Casa 4
    - Active promotion of the specific mortgage loan "Casa 10 BRD"

- **Corporate:**
  - Very targeted approach on small and medium enterprises with development/diversification in the agricultural sector
  - Participation in programs related to the European funds and the EBRD
  - Large Corporate customer: maintaining a strong presence, especially in growth sectors for economic activity: infrastructure, energy, great Distribution and co-financing of EU projects
Diversity of the sources of funding

- **Objectives:**
  - Improvement of the loans/deposits ratio

- **Measures taken:**
  - Adaptation of the range of products and pricing policy
  - Focus on the actions of collection of Clipri deposits
  - Strengthening of the commercial animation
  - Intensifying the use of international funding
  - In conjunction with SGCIB, studying the launch of an EMTN programme
Further improving efficiency of the infrastructure

- OPEX to be maintained flat

- Limit the spending for certain types of expenses, including:
  - Utilities
  - Travel and protocol expenses
  - IT cost optimization
  - Security costs

- Maintaining the number of agencies in the network and ongoing measures of rationalization

- Implementation of measures in order to improve the productivity
  - Dematerialisation of payment orders
  - Externalizing of archiving activity
## Outstanding Balances

<table>
<thead>
<tr>
<th>(million RON)</th>
<th>Actual 2010</th>
<th>Actual 2011</th>
<th>Evolution 11/10</th>
<th>Budget 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Deposits</strong>)</td>
<td>30,025</td>
<td>30,382</td>
<td>1.2%</td>
<td>+6% - 7%</td>
</tr>
<tr>
<td>of which: Term deposits</td>
<td>16,592</td>
<td>17,685</td>
<td>6.6%</td>
<td></td>
</tr>
<tr>
<td><strong>Loans</strong>)</td>
<td>33,895</td>
<td>34,342</td>
<td>1.3%</td>
<td>+4% - 5%</td>
</tr>
<tr>
<td>of which: Individuals</td>
<td>16,459</td>
<td>17,069</td>
<td>3.7%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>17,436</td>
<td>17,273</td>
<td>-0.9%</td>
<td></td>
</tr>
<tr>
<td><strong>Loans/Deposits</strong>)</td>
<td>111%</td>
<td>111%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*) amortised cost in accordance with IFRS

**) calculate for BRD only by taking into account the gross principal
## Income statement (consolidated IFRS)

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Operating income</td>
<td>3,585</td>
<td>3,268</td>
<td>-8.9%</td>
<td>around +5%</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(1,476)</td>
<td>(1,460)</td>
<td>-1.1%</td>
<td>around +1%</td>
</tr>
<tr>
<td><strong>Gross operating income</strong></td>
<td>2,110</td>
<td>1,808</td>
<td>-14.3%</td>
<td><strong>around +5-6%</strong></td>
</tr>
<tr>
<td>Net charge with provisions</td>
<td>(883)</td>
<td>(1,253)</td>
<td>41.9%</td>
<td><strong>in decrease</strong></td>
</tr>
<tr>
<td>Income Tax</td>
<td>(218)</td>
<td>(56)</td>
<td>-74.1%</td>
<td></td>
</tr>
<tr>
<td><strong>Net profit</strong></td>
<td>1,009</td>
<td>498</td>
<td>-50.6%</td>
<td></td>
</tr>
<tr>
<td><strong>Cost/income ratio</strong></td>
<td>41.2%</td>
<td>44.7%</td>
<td></td>
<td><strong>around 42-43%</strong></td>
</tr>
</tbody>
</table>