

Quarterly report according to the C.N.V.M. Regulation no.1/2006

Date of report: June 30, 2007

BRD – Groupe Société Générale SA

Head Office: Bd. Ion Mihalache, nr. 1-7, sect. 1, București

Tel/Fax: 301.61.00 /301.66.36

Sole registration number with the Office of the Trade Register: 361579

Order number with the Trade Register: J40-608-1991

Share capital subscribed and paid: RON 696.901.518

Regulated market on which the issued securities are traded: Bucharest Stock Exchange – Ist Category

1. Economic and financial situation

BRD's commercial and financial performances during the first 6 months of the year were according to the expectations. The net result as at June 30, 2007 was of RON 417 million, superior by 32% to the same period of last year.

During the first 6 months of the year, the main modifications of the macroeconomic factors were:

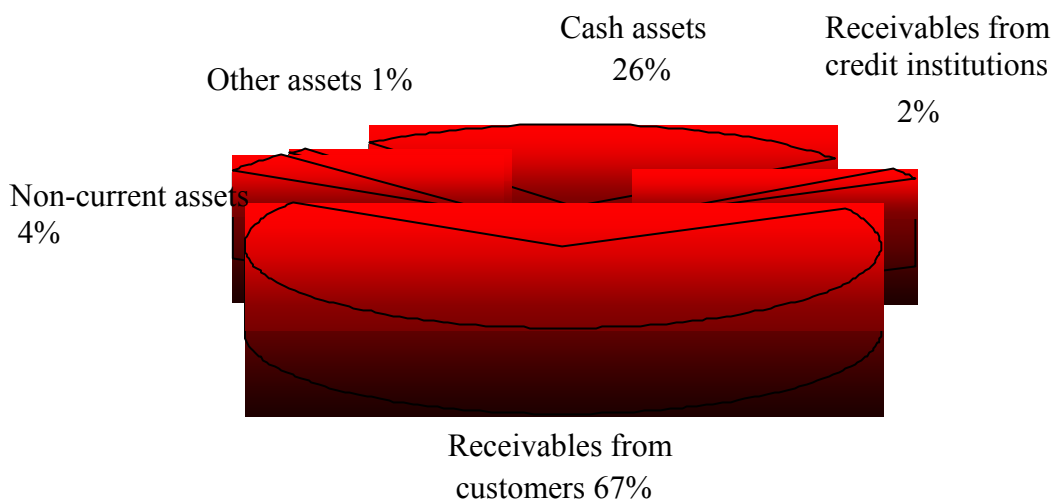
- The national currency continued to firm up against the euro by about 7,3% as compared to the end of 2006, and by 12,5% as compared to June 30, 2006.
- The monetary policy rate of the National Bank of Romania decreased from 8.75% in December 2006 to 7.25% as at end June 2007. The interest rate on the inter-banking market BUBOR 3 months as at June 30, 2007, was of 7.67%, in decrease by 129 b.p. as against June 30, 2006, and by 91 b.p. as against December 31, 2006.
- As at June 30, 2007, the inflation rate was of 1.62% as against December 2006, and of 3.8% as compared to June 2006.

BRD continued to develop its offer of products adapted to the identified customer needs, by launching new products. Also, the bank continued to expand its network.

1.1. a.) BALANCE SHEET

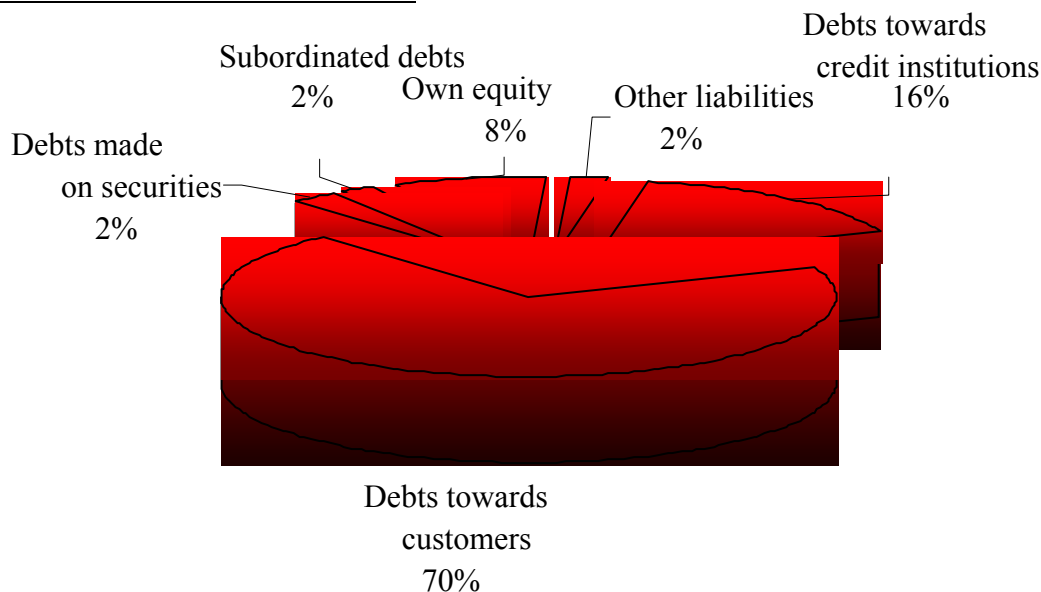
The total balance sheet as at June 30, 2007 is of RON 30 807 million RON, in growth by 10% as against December 31, 2006 and by 38% as compared to June 30, 2006.

Structure of the balance-sheet assets:



The asset structure modified as compared to December 2006 and to June 2006, mainly in the sense that the weight of the receivables from customers increased.

The receivables from customers augmented by 15% as against December 31, 2006 and by 50% as compared to June 30, 2006, reaching RON 20,440 million.

Structure of the balance-sheet liabilities:


The value of the customer operations and of the deposit certificates as at June 30, 2007 is of RON 22 175 million, in increase by 7% as against December 31, 2006 and by 36% as against June 30, 2007.

Commercial business:
Private customers

	<u>30.06.06</u>	<u>31.12.06</u>	<u>30.06.07</u>
Number of active customers (million)	1.8	2.0	2.1
Loans (million RON)	6,767	8,844	9,997
Deposits (million RON)	5,786	7,217	9,014

The value of the private customers' deposits augmented by 25% as compared to December 31, 2006 and by 56% as compared to June 30, 2007.

The value of the loans to private customers increased by 13% as against December 31, 2006 and by 48% as against June 30, 2006. This increase was supported both by the evolution of the consumer loans and by the mortgage (real estate) loans.

Corporate customers

	<u>30.06.06</u>	<u>31.12.06</u>	<u>30.06.07</u>
Loans (million RON)	7,002	9,134	10,765
Deposits (million RON)	10,328	12,591	12,326

The corporate customers' deposits increased by 19% as compared to June 30, 2006.

The balance of the loans to corporate customers augmented by 18% as compared to December 31, 2006 and by 54% as against June 30, 2006.

1.1. b) PROFIT AND LOSS ACCOUNT

	million RON		
	6 months until <u>30.06.06</u>	6 months until <u>30.06.07</u>	<u>2006/2005</u> (%)
Net banking income, out of which:	749	1,080	44%
- interest margin*	401	503	25%
- fees	252	425	68%
General expenses	379	488	29%
Gross operating income	370	592	60%
Net cost risk**	-5	-95	
Gross income	365	497	36%
Net income	315	417	32%

* The difference between the incomes from interests on made placements and the expenses with interests on the attracted resources.

** Expenses with provisions and losses from unrecoverable claims net of incomes from the use of provisions and from recoveries of amortized receivables, respectively the impact of the provisions for liabilities on the profit and loss account

The increase of the general expenses as opposed to the first half-year of 2006 represents the natural consequence of the expansion of the bank agency network.

The evolution of the net profit is according to the objectives set for 2007.

In compliance with the Decision of the General Meeting of the Shareholders of April 19, 2007, the Bank distributed to the shareholders gross dividends of RON 256 million of 2006 profit, the gross dividend being of 0.3672 lei/share. Such dividends were paid within no more than 60 days since the date on which the Decision of the General Meeting was published in the Official Gazette.

1.1. c) CASH FLOW

The statement on the modifications of the cash flows from operation, investment and financing activities is presented in Annex 1 to this report.

2. Bank business analysis

2.1. Synthesis ratios:

The financial performances obtained due to the business carried on by BRD are synthetically presented by the bias of the following ratios:

Ratio	<u>30.06.06</u>	<u>31.12.06</u>	<u>30.06.07</u>
Solvency ¹	12.9%	13.3%	10.9%
Return on equity (ROE) ²	35.6%	35.0%	38.1%
Operating ratio ³	50.6%	48.9%	45.2%
Fees/net banking income	33.7%	37.2%	39.3%

¹Capital adequacy ratio (final data)

²Net profit /average value of own equity

³General expenses/net banking income

2.2. The total value of the investments made since January until June 2007 was of approximately EUR 31 million, meant particularly to the expansion of the network.

2.3 Except for the alterations of the economic environment presented in chapter 1.1, there have been no events, transactions or modifications of the economic situation with significant consequences on bank income level.

3. Changes affecting the share capital and the bank administration

3.1 During the first half-year of 2007, the Bank found itself in no such cases as to be unable to respect its financial obligations.

3.2 In the period January – June 2007, no modifications occurred with respect to the rights of the Bank-issued securities holders.

4. Significant transactions

The major transactions in which the persons able to take concerted actions were involved are presented in Annex 2.

Chairman - CEO

Deputy-CEO

Patrick Gelin

Petre Bunescu

Name of ratio	No.	30.06.2006	RON 30.06.2007
Net income	01	315,211,085	417,197,263
<i>Net income components that do not generate cash flows related to the operating activity</i>			-
± making or regularization of provisions	02	3,917,804	149,624,488
+ amortization expenses	03	42,115,722	53,807,621
± other adjustments not generating cash flows	04	-	-
± adjustments of the elements included in investment or financing activities	05	(8,461,708)	(4,090,126)
± other adjustments	06	48,242,476	74,861,517
Sub - total (lines 01 to 06)	07	401,025,378	691,400,762
<i>Modification of operating assets and liabilities after adjustments of the elements not generating cash flows related to the operating activity</i>			-
± securities of a nature other than financial assets	08	2,635,213,177	(118,848,494)
± receivables from credit institutions	09	18,006,517	(81,799)
± minimum compulsory reserve	10	(1,678,679,937)	(377,502,011)
± receivables from customers	11	(3,839,406,486)	(2,784,629,787)
± associated receivables	12	2,613,174	(25,203,238)
± other operating assets	13	(15,405,014)	(93,132,666)
± debts to credit institutions	14	1,614,999,562	959,253,840
± debts to customers	15	1,214,083,485	1,508,926,040
± associated debts	16	62,356,513	36,382,815
± other operating liabilities	17	38,595,127	262,439,669
- payments in cash representing the corporate income tax	18	(54,418,824)	(140,723,282)
Cash flows from operating activities (lines 07 to 18)	19	398,982,672	(773,118,915)
Cash flows from investment activities		-	-
- payments in cash for the purchase of subunits	20	-	-
+ collections in cash from the sale of subsidiaries or other subunits	21	-	-
+ collections in cash representing received dividends	22	3,472,250	1,228,732
- payments in cash for the purchase of securities of the nature of financial assets	23	-	(34,424,948)
+ collections in cash from the sale of securities of the nature of financial assets	24	-	-
+ collections in cash related to received interests	25	-	-
- payments in cash for the purchase of lands and fixed assets, intangible assets and other long-term assets	26	(89,079,283)	(85,686,819)
+ collections in cash from the sale of lands and fixed assets, intangible assets and other long-term assets	27	12,637,412	5,488,353
- other payments in cash related to investment activities	28	-	-
+ other collections in cash from investment activities	29	-	-
Cash flows from investment activities (lines 20 to 29)	30	(72,969,621)	(113,394,683)
Cash flows from financing activities		-	-
+ collections in cash from debts made on securities and subordinated debts	31	-	-
- payments in cash related to debts made on securities and subordinated debts	32	57,713,132	(99,540,000)
+ collections in cash from the issuance of shares	33	-	-
-payments in cash for the purchase of own shares	34	-	-
+collections in cash from the sale of own shares	35	-	-
-payments in cash representing dividends	36	(205,248,556)	(237,877,816)
-other payments in cash related to financing activities	37	-	-
+other collections in cash from financing activities	38	-	-
Cash flows from financing activities (lines 31 to 38)	39	(147,535,424)	(337,417,816)
Cash at the beginning of the period	40	1,191,028,125	1,943,240,182
± Cash flows from operating activities (line19)	41	398,982,672	(369,313,464)
±Cash flows from investment activities	42	(72,969,621)	(63,677,188)
±Cash flows from financing activities	43	(147,535,424)	(99,540,000)

± Exchange rate modification impact on the cash
 Cash at the end of the period (lines 40 to 44)

44	-	-
45	<u>1,369,505,751</u>	<u>1,410,709,530</u>

million RON

Elements

**Members of the
 Société Générale
 Group**

ASSETS

Placements, down payments and loans extended, related receivables included	642
Issued guarantees	731
Amounts to be collected for operations in FCY	1,126
Operations on derivatives - asset	1,336

LIABILITIES

Received loans	2,772
Cash assets and deposits	211
Received guarantees	148
Amounts to be paid for operations in FCY	1,141
Operations on derivatives - liability	1,332