

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

Date of report: June 30, 2010

BRD – Groupe Société Générale SA

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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

In the current economic environment, BRD's commercial and financial performances during the first six months of 2010 were satisfactory. The net result as at June 30, 2010, was of RON 367 million, inferior by 13.7% compared to the same period of the last year.

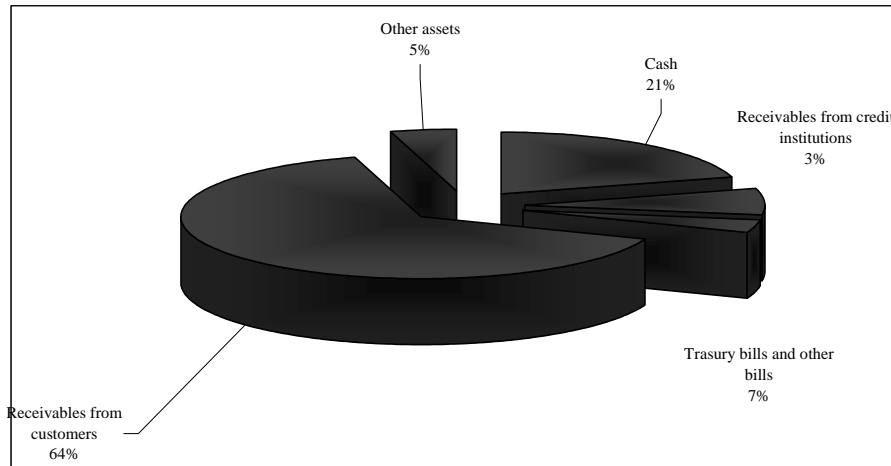
During the first 6 months of the year, the main modifications of the macroeconomic factors were:

- The national currency continued to depreciate against the euro by approximately 3.2% as compared to the end of 2009 and by 3.7% as compared to June 30, 2009.
- The monetary policy rate of the National Bank of Romania decreased from 8% in December 2009 to 6.25% at the end of June 2010. The interest rate on the interbank market ROBOR 3 months as at June 30, 2010, was of 7.16%, decreasing by 307 p.b. against June 30, 2009 and by 349 p.b. against December 31, 2009.
- As at June 30, 2010, the inflation rate was of 2.8% as compared to December 2009, and of 4.4% as compared to June 2009.

1.1. a.) BALANCE SHEET

Total balance sheet as at June 30, 2010, is of RON 48,656 million, 5% increased compared to December 31, 2009, and decreased by 2% compared to June 30, 2009.

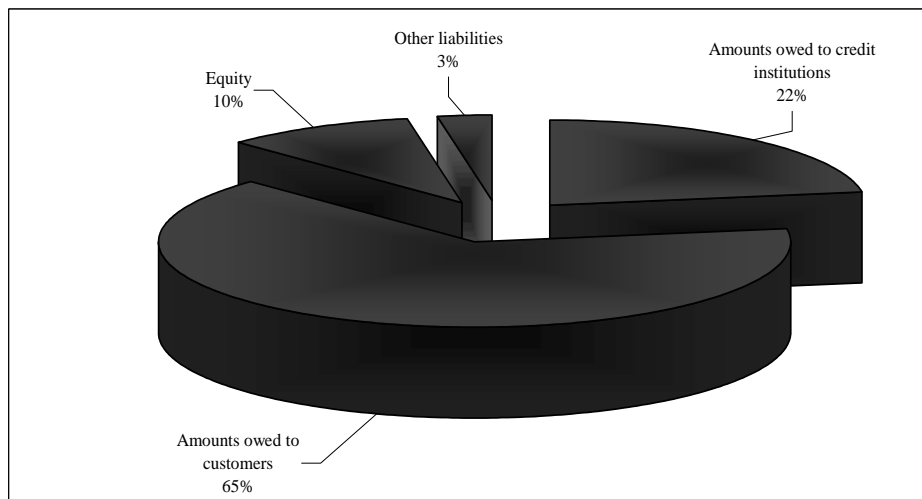
Structure of the balance-sheet assets :



Receivables from customers increased by 3% against December 31, 2009, and by 1% as compared to June 30, 2009, reaching RON 31,523 million.

Cash (cash and current accounts with Central Bank) was of RON 10,041 million, increasing by 2% against December 31, 2009, but decreasing by 25% against June 30, 2009, considering the diminution of the minimum compulsory reserve.

Structure of the balance-sheet liabilities:



Amounts owed to customers (including deposit certificates) were of RON 31,703 million, increased by 7% as compared to June 30, 2009 and by 6% as compared to December 31, 2009.

Amounts owed to credit institutions amount to 22% of total liabilities as at June 30, 2010, and decreased by 24% against June 30, 2009.

Commercial activity
Private customers

	30.06.09	31.12.09	30.06.10
No of active customers (million)	2.4	2.4	2.4
Loans (million RON)	15,767	16,038	16,555
Deposits (million RON)	14,587	14,606	15,404

Private customers' deposits augmented by 5% against December 31, 2009 and by 6% compared to June 30, 2009.

Private customers' loans grew by 3% compared to December 31, 2009 and 5% compared to June 30, 2009.

Corporate customers

	30.06.09	31.12.09	30.06.10
Loans (million RON)	16,397	17,211	17,903
Deposits (million RON)	14,494	14,919	15,951

Corporate customers' loans were maintained at an increased level during June 30, 2009 - June 30, 2010. Consequently, the increase was of 4% compared to December 31, 2009 and of 9.2% compared to June 30, 2009.

Corporate customers' deposits increased during this period by 7% compared to December 31, 2009 and 10% compared to June 30, 2009.

1.1. b) PROFIT AND LOSS ACCOUNT

Million RON

	30.06.09	30.06.10	2010/2009 (%)
Net banking income, out of witch :	1636	1750	7%
- Interest margin*	725	906	25%
- Commissions	635	620	-2%
Operating expenses	-716	-682	-5%
Operating profit	919	1067	16%
Net cost of risk**	-408	-628	54%
Gross profit	511	439	-14%
Net profit	425	367	-13.7%

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

** Expenses with provisions for the commercial business (including for off-balance-sheet loans) and reversals under related incomes, respectively other provisions for risks and expenses.

According to the Decision of the General Meeting of the Shareholders of April 27, 2010, the Bank distributed to the shareholders gross dividends of RON 195 million of the profit on 2009, the gross dividend being of 0.27947 lei/share. Consequently, 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 Appendix 1 to this report.

2. Banking activity analysis

2.1. Synthesis ratios:

The financial performances obtained through the business carried out by BRD are synthetically presented based on the following ratios:

Ratio	30.06.09	31.12.09	30.06.10
Capital adequacy ratio	11.6%	13.2%	12.9%
Return on equity (ROE) ¹	22.3%	19.5%	16.1%
Cost/Income ratio ²	43.8%	42.6%	39.0%
Net commissions/Net banking income	38.8%	38.0%	35.5%

¹Net profit/Equity average value

²Operating expenses/Net banking income

2.2. Total value of investments made between January – June 2010 was of approximately EUR 11.4 million, such investments being meant particularly to informatics systems improvement.

2.3 Except for the alterations of the economic environment presented in chapter 1.1, no events, transactions or modifications of the economic situation, which would have significant consequences on the bank's incomes occurred.

3. Changes affecting the share capital and the bank management

3.1 During the first half-year of 2010, the Bank found itself in no such cases as to be unable to meet its financial obligations.

3.2 In the period January – June 2010, 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 Appendix 2. These transactions were made in normal market conditions, during the current activity and with no significant influence on BRD's financial position.

Chairman - CEO

Guy POUPET

Head of the
Financial Department

Jean-Pierre TRAN QUAN NAM

STATEMENT OF CASH FLOWS as at June 30, 2010
 (indirect method)

Item	No	Previous period 30.06.2009	Current period 30.06.2010
Net income	01	425,288,296	366,910,376
<i>Net income items that do not generate cash flows related to the operating activity</i>			
± creation or regularization of provisions	02	270,324,517	462,453,911
+ depreciation expense	03	65,505,409	64,854,846
± other adjustments not generating cash flows	04	0	0
± adjustments on items related to investment or financing activities	05	-1,811,369	-1,443,769
± other adjustments	06	98,629,978	106,044,436
Sub-total (lines 01 to 06)	07	857,936,831	998,819,800
<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	-1,432,627,038	-1,199,003,648
± receivables related to credit institutions	09	-6,419,080	-7,343,782
± minimum compulsory reserve	10	491,288,129	-630,286,282
± receivables from customers	11	59,188,544	-1,172,527,744
± related receivables	12	-83,294,711	-143,771,720
± other operating assets	13	-51,573,962	-95,792,241
± amounts owed to credit institutions	14	-64,022,571	85,919,695
± amounts owed to customers	15	64,775,645	1,696,545,181
± related debts	16	72,368,028	-30,886,207
± other operating liabilities	17	294,686,822	319,945,025
- payments in cash representing income tax	18	-193,311,893	-68,564,587
Cash flows from operating activities (lines 07 to 18)	19	8,994,744	-246,946,510
Cash flows from investment activities			
- payments in cash for acquisition of branches or other sub-units	20	-3,607,631	-6,591,360
+ collections of cash from sale of branches or other sub-units	21	0	0
+ collections of cash representing received dividends	22	1,036,804	1,765,259
- payments in cash for purchase of securities of the nature of financial assets	23	-779,184	0
+ collections of cash from sale of securities of the nature of financial assets	24	0	0
+ collections of cash representing received interest	25	0	0
- payments in cash for purchase of lands and fixed assets, intangible assets and other long-term assets	26	-61,705,042	-39,060,108
+ collections of cash from sale of lands and fixed assets, intangible assets and other long-term assets	27	1,155,473	285,365
- other payments in cash related to the investment activity	28	0	0
+ other collections of cash related to the investment activity	29	0	0
Cash flows from investment activities (lines 20 to 29)	30	-63,899,580	-43,600,844
Cash flows from financing activities			
+ collections of cash from debts evidenced by certificates and subordinated debts	31	-	-
- cash payments on debts evidenced by certificates and subordinated debts	32	44,300,000	28,120,000
+ collections of cash from issuance of shares	33	-	-
- payments in cash for the purchase of shares or own shares	34	-	-
+ collections of cash from sale of shares or own shares	35	-	-
- payments in cash in the form of dividends	36	-479,187,649	-166,411,524
- other payments in cash related to the financing activity	37	-	-
+ other collections of cash related to the financing activity	38	-	-
Cash flows from financing activities (lines 31 to 38)	39	-434,887,649	-138,291,524
Cash at the beginning of the period	40	2,275,203,953	2,469,352,814
± Cash flows from operating activities (line 19)	41	8,994,744	-246,946,510
± Cash flows from investment activities (line 30)	42	-63,899,580	-43,600,844
± Cash flows from financing activities (line 39)	43	-434,887,649	-138,291,524
± Exchange rate impact on cash	44	-	-
Cash at the end of the period	45	1,785,411,468	2,040,513,936

Items (RON)	2010		
	Group accounts	Associates	Board of Directors
LOANS			
Loans and advance payments	193,935,319	41,943	1,268,708
Loans interests	237,816	41	2,818
LIABILITIES			
Credits received	3,112,814,575	-	-
Deposits	5,045,715,662	111,490,852	11,410,993
Deposits interests	22,683,663	342,500	92,356
Interests and commissions income	22,195,708	43,760	28,948
Interests and commissions expenses	55,308,211	2,734,478	397,257
Off balance sheet items			
Contingent liabilities	1,649,983,876	190,305	-
Commitments	119,793,173	-	86,319