

BRD - Groupe Société Générale S.A.

INTERIM FINANCIAL REPORT

MARCH 31, 2018

BRD – Groupe Société Générale S.A.
CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION
for the period ended March 31, 2018
(Amounts in thousands RON)

	Group		Bank	
	March 31, 2018	December 31, 2017	March 31, 2018	December 31, 2017
		<i>IFRS 9 balance restatement</i>		<i>IFRS 9 balance restatement</i>
ASSETS				
Cash in hand	1,767,934	1,924,214	1,767,923	1,924,188
Due from Central Bank	5,421,221	5,757,953	5,421,221	5,757,953
Due from banks	4,233,613	2,548,655	4,214,376	2,529,611
Derivatives and other financial instruments held for trading	813,320	637,686	813,321	637,689
Loans and advances to customers	29,660,325	29,400,406	29,071,536	28,821,352
Finance lease receivables	739,715	719,458	-	-
Financial assets at fair value through PL	92,778	98,802	68,431	77,121
Financial assets at fair value through OCI	11,686,980	12,036,572	11,686,980	12,036,572
Investments in associates and subsidiaries	153,556	151,860	158,594	158,594
Property, plant and equipment	815,079	832,919	808,021	825,645
Investment property	12,197	12,544	12,197	12,544
Goodwill	50,130	50,130	50,130	50,130
Intangible assets	112,070	106,409	109,251	103,263
Deferred tax asset	100,706	98,204	95,472	91,964
Other assets	297,531	308,272	238,026	243,555
Total assets	55,957,154	54,684,084	54,515,479	53,270,181
LIABILITIES AND SHAREHOLDERS' EQUITY				
Due to banks	1,060,683	885,970	1,060,683	885,970
Due to customers	44,336,193	44,219,686	44,410,349	44,387,308
Borrowed funds	1,147,638	1,252,455	45,756	48,530
Derivatives and other financial instruments held for trading	778,396	138,044	778,396	138,044
Current tax liability	79,483	103,580	77,172	102,388
Other liabilities	882,233	819,900	809,873	762,106
Total liabilities	48,284,626	47,419,635	47,182,229	46,324,346
Share capital	2,515,622	2,515,622	2,515,622	2,515,622
Other reserves	42,476	48,677	39,033	43,980
Retained earnings and capital reserves	5,065,051	4,653,769	4,778,595	4,386,233
Non-controlling interest	49,379	46,381	-	-
Total equity	7,672,528	7,264,449	7,333,250	6,945,835
Total liabilities and equity	55,957,154	54,684,084	54,515,479	53,270,181

Giovanni Luca Soma
Chairman of the Board of Directors

François Bloch
Chief Executive Officer

Petre Bunescu
Deputy Chief Executive Officer

BRD – Groupe Société Générale S.A.
CONSOLIDATED AND SEPARATE PROFIT OR LOSS
for the period ended March 31, 2018
(Amounts in thousands RON)

	Group		Bank	
	Three months ended March 31, 2018	Three months ended March 31, 2017	Three months ended March 31, 2018	Three months ended March 31, 2017
Interest from loans and financial leases	406,937	366,432	373,383	335,750
Interest from deposits with banks	11,335	3,575	11,158	3,207
Interest from treasury bonds	79,486	76,268	79,486	76,268
Interest from hedging instruments	1,335	1,619	1,335	1,619
Interest and similar income	<u>499,093</u>	<u>447,894</u>	<u>465,362</u>	<u>416,844</u>
Interest on deposits	(30,024)	(36,607)	(30,411)	(37,387)
Interest on borrowings	(3,607)	(3,553)	(134)	(491)
Interest from hedging instruments	-	-	-	-
Interest and similar expense	<u>(33,631)</u>	<u>(40,160)</u>	<u>(30,545)</u>	<u>(37,878)</u>
Net interest income	465,462	407,734	434,817	378,966
Fees and commission income	229,628	215,236	219,985	205,084
Fees and commission expense	(45,545)	(40,229)	(44,597)	(39,259)
Fees and commissions, net	184,083	175,007	175,388	165,825
Gain on foreign exchange, derivative and other financial instruments held for trading	67,543	55,700	67,160	55,379
Gain on financial assets available for sale(*)/Gain from financial instruments at fair value through PL&OCI(**)	3,302	142	3,136	142
Income from associates	2,950	10,870	-	-
Other income	851	671	(28)	783
Operating income	724,191	650,124	680,473	601,095
Personnel expenses	(186,040)	(167,115)	(173,765)	(156,723)
Depreciation, amortisation and impairment on tangible and intangible assets	(33,455)	(30,604)	(32,715)	(29,768)
Contribution to Guarantee Scheme and Resolution Fund	(35,026)	(70,750)	(35,026)	(70,750)
Other operating expenses	(130,418)	(115,663)	(122,073)	(108,253)
Total operating expenses	(384,939)	(384,132)	(363,579)	(365,494)
Net operating profit	339,252	265,992	316,894	235,601
Cost of risk	152,803	123,827	149,890	129,589
Profit before income tax	492,055	389,819	466,784	365,190
Current income tax expense	(79,703)	(52,291)	(77,359)	(50,809)
Deferred tax (expense) / income	1,930	(7,670)	2,936	(7,437)
Total income tax	(77,773)	(59,961)	(74,423)	(58,246)
Profit for the period	414,282	329,858	392,361	306,944
Profit attributable to equity holders of the parent	411,283	327,660		
Profit attributable to non-controlling interests	2,999	2,198		

(*) according to IAS39 until December 31, 2017

(**) according to IFRS9 after January 1, 2018

BRD – Groupe Société Générale S.A.
CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY
for the period ended March 31, 2018
(Amounts in thousands RON)

Group

	Attributable to equity holders of the parent						Total equity
	Issued capital	Other reserves			Retained earnings and capital reserves	Non-controlling interest	
		Reserves from revaluation of available for sale assets	Reserves from defined pension plan	Foreign currency translation reserve			
December 31, 2016	2,515,622	276,697	(4,650)	-	3,835,793	50,371	6,673,833
Total comprehensive income	-	(15,142)	-	-	327,660	2,198	314,716
Net Profit for the period	-	-	-	-	327,660	2,198	329,858
Other comprehensive income	-	(15,142)	-	-	-	-	(15,142)
March 31, 2017	2,515,622	261,555	(4,650)	-	4,163,454	52,570	6,988,550

	Attributable to equity holders of the parent						Total equity
	Issued capital	Other reserves			Retained earnings and capital reserves	Non-controlling interest	
		Reserves from revaluation of available for sale assets	Reserves from defined pension plan	Foreign currency translation reserve			
December 31, 2017	2,515,622	66,027	(4,420)	4,696	4,733,415	53,412	7,368,752
Impact of adopting IFRS9	-	(17,626)	0	-	(79,647)	(7,031)	(104,303)
Restated opening balance	2,515,622	48,401	(4,420)	4,696	4,653,768	46,381	7,264,449
Total comprehensive income	-	(4,948)	-	(1,253)	411,283	2,999	408,081
Net Profit for the period	-	-	-	-	411,283	2,999	414,282
Other comprehensive income	-	(4,948)	-	(1,253)	-	-	(6,201)
March 31, 2018	2,515,622	43,453	(4,420)	3,443	5,065,051	49,379	7,672,528

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CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY
for the period ended March 31, 2018
(Amounts in thousands RON)

Bank

	Other reserves			Retained earnings and capital reserves	Total equity
	Issued capital	Reserves from revaluation of available for sale assets	Reserves from defined pension plan		
December 31, 2016	2,515,622	276,697	(4,650)	3,579,514	6,367,183
Total comprehensive income	-	(15,142)	-	306,944	291,802
Net Profit for the period	-	-	-	306,944	306,944
Other comprehensive income	-	(15,142)	-	-	(15,142)
March 31, 2017	2,515,622	261,555	(4,650)	3,886,458	6,658,985

	Other reserves			Retained earnings and capital reserves	Total equity
	Issued capital	Reserves from revaluation of available for sale assets	Reserves from defined pension plan		
December 31, 2017	2,515,622	66,027	(4,420)	4,451,159	7,028,387
Impact of adopting IFRS9	-	(17,627)	0	(64,925)	(82,551)
Restated opening balance	2,515,622	48,400	(4,420)	4,386,234	6,945,836
Total comprehensive income	-	(4,947)	-	392,361	387,414
Net Profit for the period	-	-	-	392,361	392,361
Other comprehensive income	-	(4,947)	-	-	(4,947)
March 31, 2018	2,515,622	43,453	(4,420)	4,778,595	7,333,250