

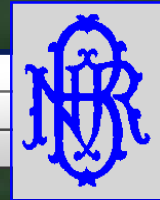
Working Breakfast

on

Recent Developments in the Romanian Banking System

London, April 18, 2004

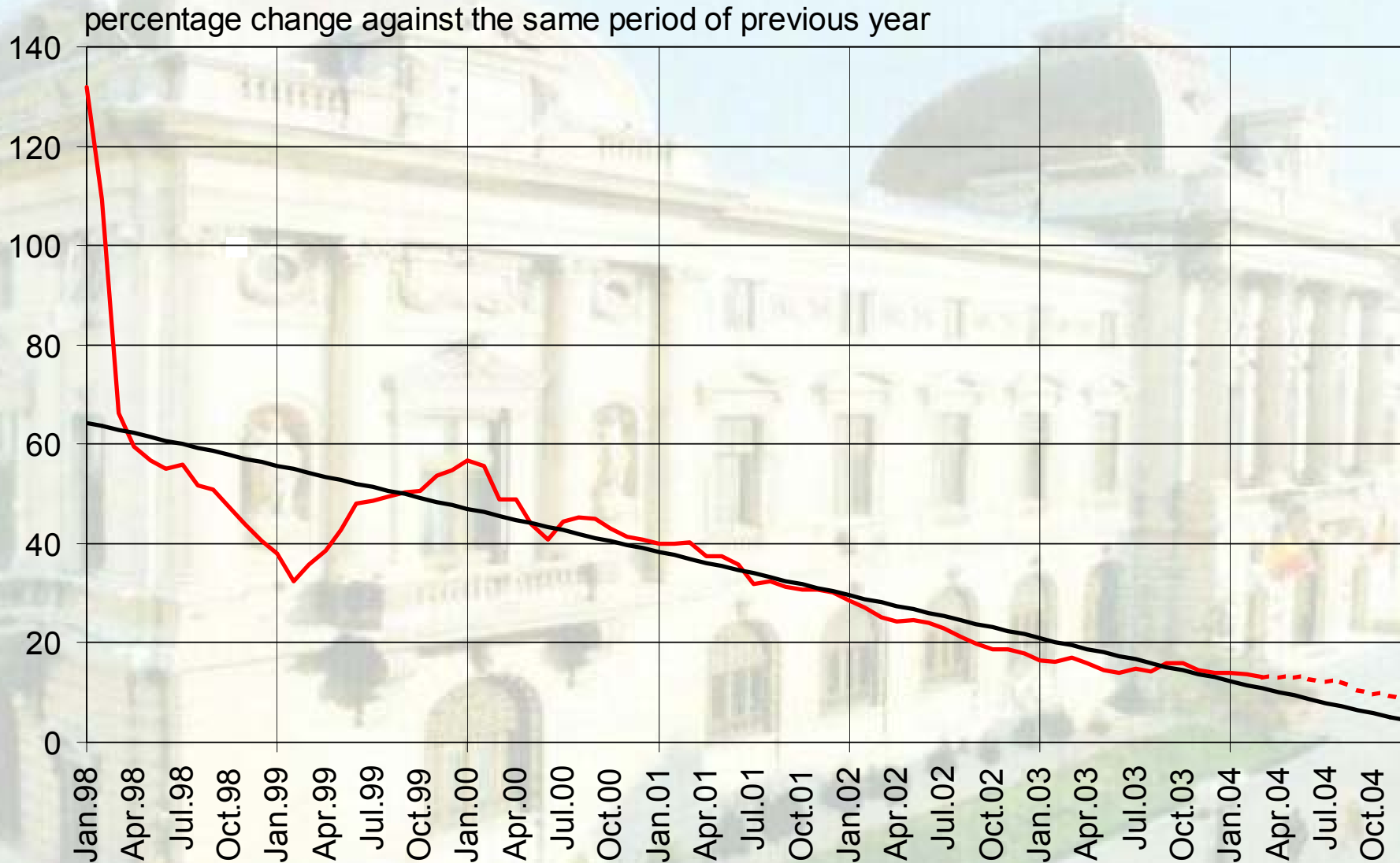
NATIONAL BANK OF ROMANIA



Developments in 2003

- **GDP growth:** 4.9 percent
- **CPI inflation:** 14.1 percent (Dec./Dec.)
- **Official reserves:** EUR 7.5 bn. at end-December
- **Current account deficit:** 5.8 percent of GDP
- **Public debt:** 23 percent of GDP

Inflation Rate (CPI)



Source: National Institute of Statistics, NBR's projection

projection for Apr. - Dec. 2004

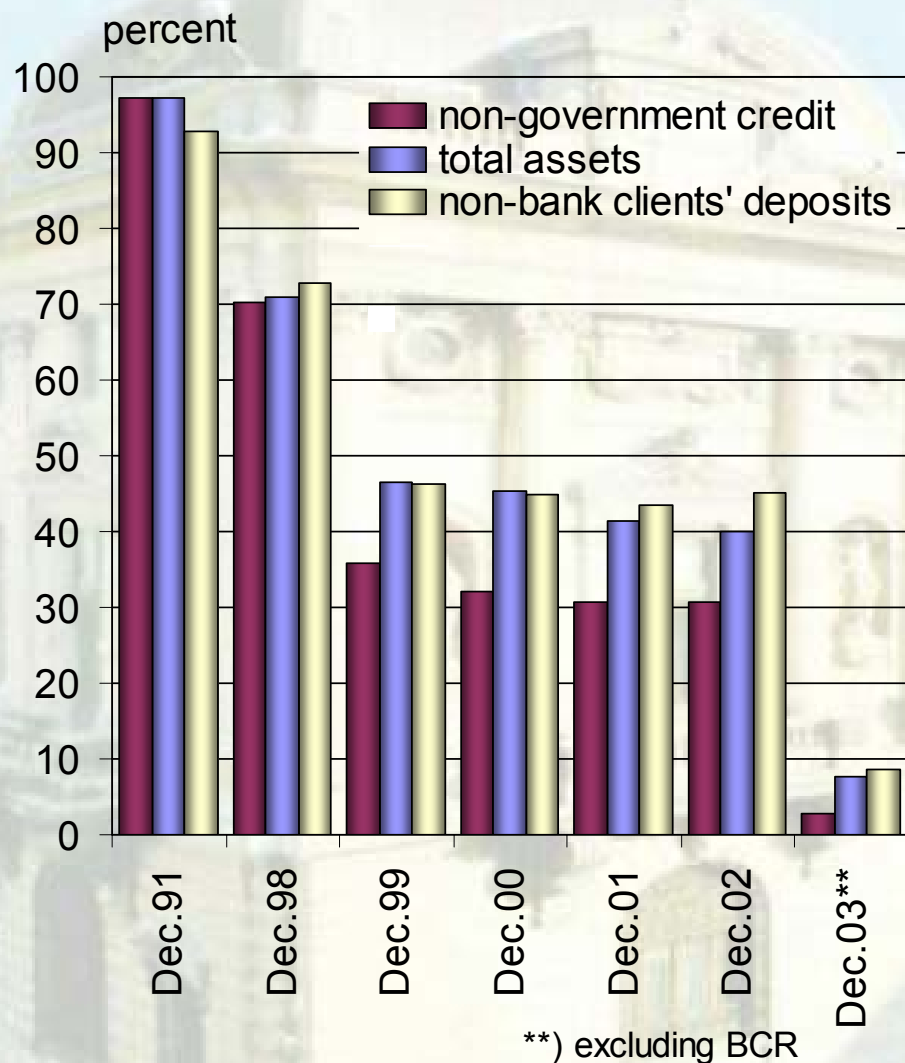
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Official Forecast for 2004

- **GDP growth:** 5.5. percent
- **CPI inflation:** 9 percent
- **Official reserves** at an optimal level (3.5 months of imports of goods and services)
- **Current account deficit:** 5.5 percent of GDP

Share of Majority State-owned Banks in Total Banks



Source: National Bank of Romania

share in total banks (%); February 2004

| | Total assets | Non-govt. credit | Non-bank clients deposits |
|---|--------------|------------------|---------------------------|
| Banks with majority foreign capital | 59.0* | 66.1 | 55.4 |
| Banks with majority domestic private capital | 33.2 | 31.1 | 35.5 |
| Banks with majority domestic state-owned capital** | 7.8 | 2.8 | 9.1 |

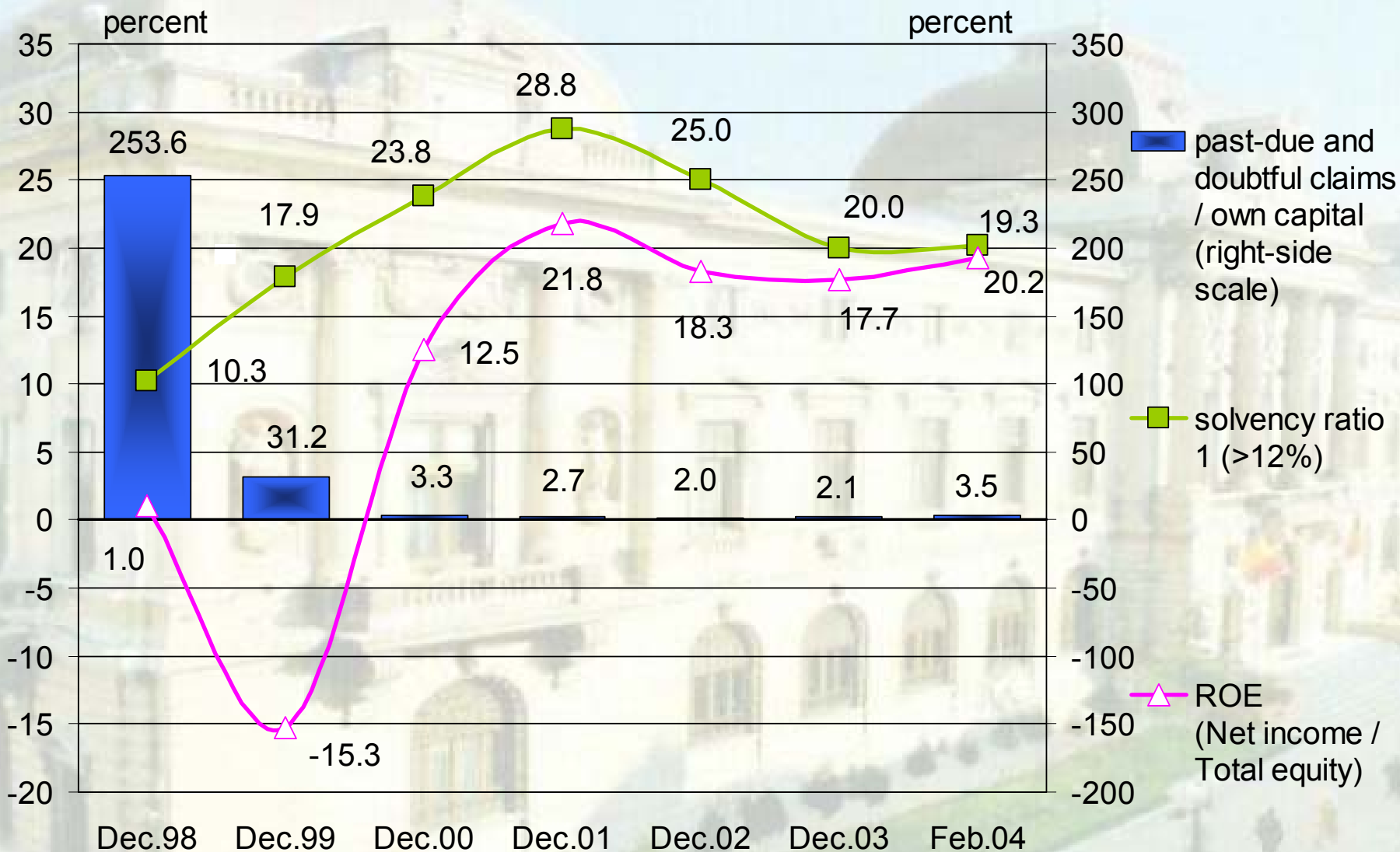
*) simulation assuming BCR privatisation on strategic foreign investor yields 80% of assets

Top Seven Banks in Romania

| DECEMBER 2003 | Main Shareholders | EUR mn. | % of total |
|---|----------------------------------|-----------------|-------------------|
| Net bank assets, of which: | | 14,633.5 | 100.0 |
| 1. Banca Comercială Română (BCR) | Romanian state; IFC; EBRD | 4,305.4 | 29.4 |
| 2. BRD - Groupe Société Générale | Groupe Société Générale | 1,945.5 | 13.3 |
| 3. Raiffeisenbank | RZB | 1,058.1 | 7.2 |
| 4. Casa de Economii și Consemnațiuni | Romanian state | 952.7 | 6.5 |
| 5. ABN Amro Bank (România) | ABN AMRO N.V. | 754.3 | 5.2 |
| 6. ING Bank N.V., Amsterdam | ING Bank N.V. | 630.1 | 4.4 |
| 7. Banc Post | EFG Eurobank Ergasias | 617.9 | 4.2 |

Source: National Bank of Romania

Analysis Ratios for the Banking System



Source: National Bank of Romania

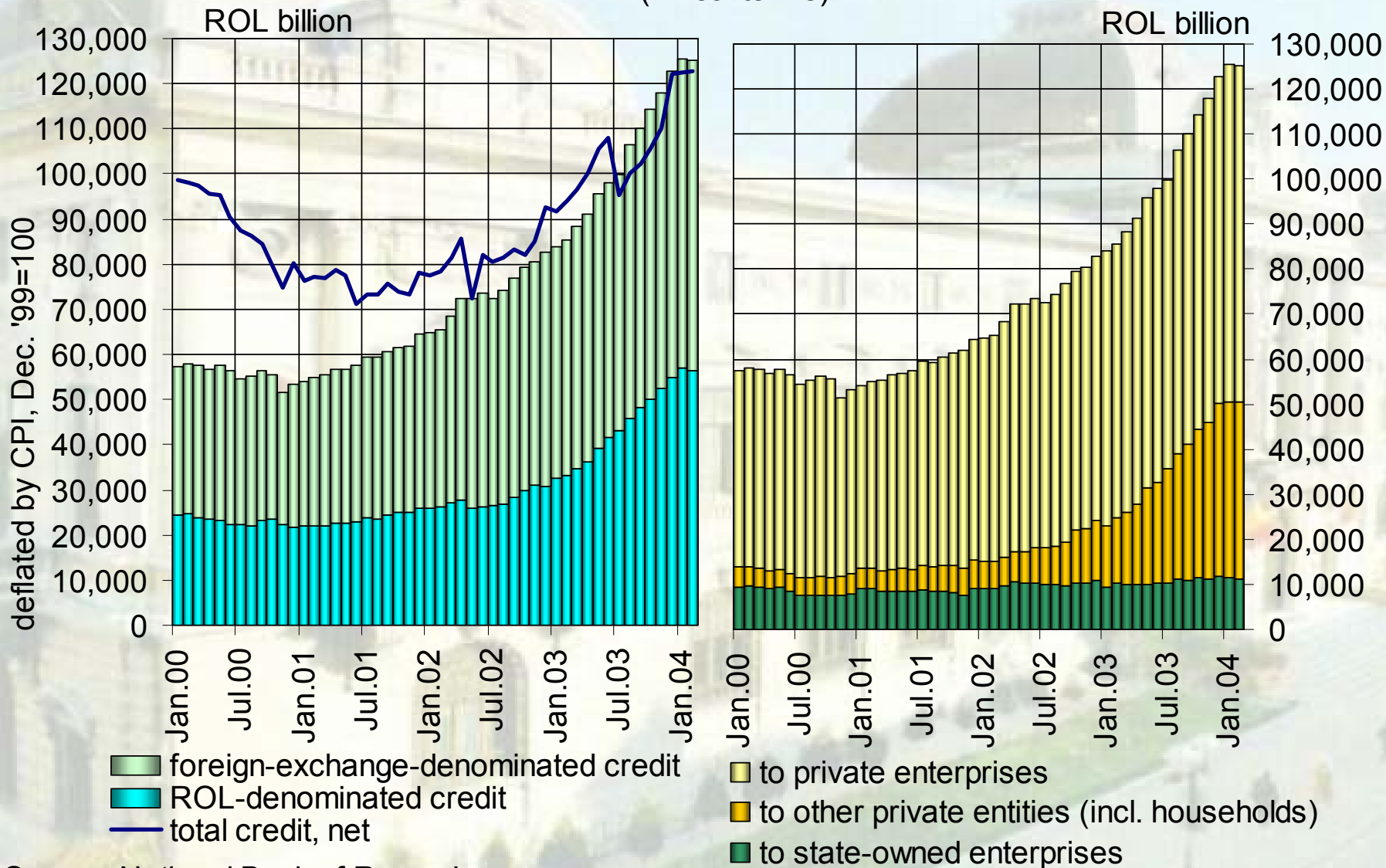
Saving and Investment Ratios



Source: National Institute of Statistics, NBR calculations

Total Credit and Non-Government Credit

(in real terms)



Source: National Bank of Romania

