

**Second Quarter and First Half 2003 Results**

- ⇒ Very high level of net banking income over quarter
- ⇒ Drop in operating expenses

**Quarterly gross operating income at record level:  
EUR 1,454 billion (+28% vs. Q2 02)**

- ⇒ Tight rein on risks and strengthening of general credit risk reserve
- ⇒ Capital gain on disposal of stake in Crédit Lyonnais (EUR 193 million after tax)
- ⇒ Allocation to General Reserve for Banking Risks (EUR 150 million)

**Net income: EUR 695 million (+85% vs. Q2 02)**

- ⇒ ROE: 18.5%
- ⇒ Solid capital base: Tier-one ratio of 8.1% at June 30th 2003

**EPS: EUR 2.88 for the first half of 2003 (+33% vs. H1 02)**

<i>In EUR million</i>	Q2 03	Change vs. Q2 02	H1 03	Change vs. H1 02
<b>Net banking income</b>	<b>4,106</b>	<b>+7%</b>	<b>7,855</b>	<b>+4%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+9%</b>		<b>+6%</b>
<b>Operating expenses</b>	<b>(2,652)</b>	<b>-2%</b>	<b>(5,171)</b>	<b>-4%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>0%</b>		<b>-1%</b>
<b>Gross operating income</b>	<b>1,454</b>	<b>+28%</b>	<b>2,684</b>	<b>+24%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+31%</b>		<b>+24%</b>
<b>Operating income</b>	<b>1,077</b>	<b>+27%</b>	<b>1,977</b>	<b>+24%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+28%</b>		<b>+21%</b>
<b>Net income</b>	<b>695</b>	<b>85%</b>	<b>1,178</b>	<b>+33%</b>
	<b>Q2 03</b>	<b>Q2 02</b>	<b>H1 03</b>	<b>H1 02</b>
<b>Group ROE after tax</b>	<b>18.5%</b>	<b>9.8%</b>	<b>15.6%</b>	<b>11.7%</b>
<b>Business line ROE after tax</b>	<b>25.3%</b>	<b>19.7%</b>	<b>22.5%</b>	<b>20.0%</b>

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At the meeting of the Board of Directors of Société Générale on July 31st 2003, chaired by Daniel Bouton, the Board closed the Group's consolidated accounts for the second quarter of the 2003 financial year. Commenting on these results, the Chairman said:

*“The first half of 2003 underscores the validity of the strategy implemented through the Group's core businesses:*

- the French retail banking networks continued to deliver sustained growth and high profitability,*
- the rapid development and strong profitability of Retail Banking outside France and Specialised Financing attest to the quality of the acquisitions made in these areas,*
- Corporate and Investment Banking, which is clearly focused on its core competences and is underpinned by a solid client base, generated a remarkable level of profitability.*

*At the same time, the Group kept a tight rein on costs and risks, while the industrial equity portfolio ceased to weigh on Group profitability.*

*The first half of 2003 thus demonstrated the capacity of the Société Générale Group to maintain a high level of profitable growth.”*

## **1. GROUP CONSOLIDATED RESULTS**

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Net income in the second quarter of 2003 was up by 85% on the same period in 2002, on the back of record revenues and the continued implementation of a strict cost-control policy. Gross operating income generated by the Group stood at an unprecedented high of EUR 1.45 billion.

### **Net banking income**

During the second quarter of 2003, the Group generated net banking income of EUR 4.1 billion, up 9% on the second quarter of 2002 when adjusted for changes in Group structure and at constant exchange rates. The French Networks continued to register sustained growth, with revenues for the quarter showing an increase of 4.1% year-on-year. The Group's Corporate and Investment Banking arm (SG CIB), which capitalised on a highly favourable environment, saw revenues rise by 17% when adjusted for changes in Group structure and at constant exchange rates in relation to the second quarter of 2002, itself a high benchmark. SG CIB thus produced an exceptionally high return on equity over the period. The Global Investment Management business, which groups the Asset Management and Private Banking activities, continued to hold up well and profited from the slight upturn on the stock markets.

### **Operating expenses**

Despite the hike in performance-linked pay driven by the growth in Corporate and Investment Banking revenues, operating expenses held stable when adjusted for changes in Group structure and at constant exchange rates. The Group maintained its policy of strict cost control while continuing to invest in business development and productivity enhancement initiatives.

This rigorous management of its cost base, coupled with the high level of revenues, produced a particularly low cost/income ratio (65% in the second quarter compared with 71% for the same period in 2002).

### **Operating income**

Group gross operating income amounted to EUR 1.45 billion in the second quarter of 2003, up by over 28% on the second quarter of 2002.

The net allocation to provisions (EUR 377 million) rose in relation to the previous quarter. It included an allocation of EUR 100 million to the general credit risk reserve, which came on top of the EUR 70 million booked in the first quarter of 2003.

Operating income stood at EUR 1.08 billion, representing an increase of over 27% on the second quarter of 2002.

### **Net income**

No significant provisioning was booked on the industrial equity portfolio.

During the second quarter, the Group realised a capital gain of EUR 242 million (EUR 193 million after tax) on the disposal of its 3.68% stake in Crédit Lyonnais. The Group allocated EUR 150 million to its General Reserve for Banking Risks.

Overall, after goodwill amortisation, corporate income tax and minority interests, attributable net income stood at EUR 695 million, up 85% on the second quarter of 2002. The Group's ROE after tax was 18.5%, while the business line ROE came out at 25.3%.

## **2. CAPITAL BASE**

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Group shareholders' equity stood at EUR 15.8 billion at June 30th 2003, representing a book value per share of EUR 38.4. The Tier-one ratio was 8.1%, reflecting the Group's financial strength and its capacity to finance its future development.

The Group's ratings (Moody's: Aa3, Standard & Poor's: AA-, Fitch: AA-) rank the Group among the highest rated banking groups in the euro zone.

At June 30th 2003, Société Générale held 28.4 million of its own shares in buybacks and treasury stock (excluding trading), representing 6.6% of the capital. The capital increase reserved for Group employees, and which was opened for the first time to the staff of several subsidiaries outside France, met with success. It raised EUR 292 million of capital, corresponding to the issuance of 7.3 million new shares.

### 3. RETAIL BANKING AND FINANCIAL SERVICES

#### French Networks

<i>In EUR million</i>	Q2 03	Change vs. Q2 02	H1 03	Change vs. H1 02
<b>Net banking income</b>	<b>1,413</b>	<b>+4.1%</b>	<b>2,762</b>	<b>+3.1%</b>
<b>Operating expenses</b>	<b>(982)</b>	<b>+2.2%</b>	<b>(1,953)</b>	<b>+2.4%</b>
<b>Gross operating income</b>	<b>431</b>	<b>+8.6%</b>	<b>809</b>	<b>+4.9%</b>
<b>Net allocation to provisions</b>	<b>(76)</b>	<b>+4.1%</b>	<b>(142)</b>	<b>+3.6%</b>
<b>Operating income</b>	<b>355</b>	<b>+9.6%</b>	<b>667</b>	<b>+5.2%</b>
<b>Net income</b>	<b>223</b>	<b>+11.5%</b>	<b>417</b>	<b>+6.6%</b>
	<b>Q2 03</b>	<b>Q2 02</b>	<b>H1 03</b>	<b>H1 02</b>
<b>ROE after tax</b>	<b>20.0%</b>	<b>18.7%</b>	<b>19.0%</b>	<b>18.4%</b>

In line with the trend seen in previous quarters, the Société Générale and Crédit du Nord networks, which form the leading non-mutual retail banking group in France with 8.2 million customers, turned in remarkable performances.

The networks continued to develop their franchises, with a net increase of 121,000 current accounts over 12 months, representing a 2.2% rise in the number of accounts over the period. A further increase was seen in the average number of products per personal current account, which stood at 7.3 (compared with 7.0 at end-June 2002), attesting to the loyalty shown by customers towards the two branch networks.

The volume of new mortgage loans and consumer credit grew at a sustained pace, rising by 36% and 17% respectively against the second quarter of 2002. Demand deposits and special savings accounts also registered an increase, up by 3% and 8% respectively versus June 30th 2002. The growth in outstanding loans to businesses (+4%) reflected the open but prudent policy of both networks in this area, which gears lending to the quality of the counterparties.

Overall, net banking income rose by 4.1% in relation to the second quarter of 2002, with net interest income up 3% and fee and commission income showing a rise of 6% (+14% for service commissions). Overall, fee and commission income accounted for 41% of net banking income in the first half of the year, unchanged on the first half of 2002.

Operating expenses showed a modest rise of 2.2% in relation to the second quarter of 2002, including costs linked to ongoing investments in the integration of the Société Générale network's multi-channel distribution platform. The cost/income ratio showed an improvement over the quarter, dropping to 69.5% from 70.8% in the second quarter of 2002.

The cost of risk was stable against the full year 2002 at 35 bp, confirming the quality of the loan books.

Net income booked by the French Networks increased by 11.5% in relation to the second quarter of 2002, attesting to the networks' capacity to combine continued business expansion with sustainable profitability. The first-half ROE after tax came out at 19%, compared with 18.4% in the first half of 2002.

## Retail Banking outside France

<i>In EUR million</i>	Q2 03	Change vs. Q2 02	H1 03	Change vs. H1 02
<b>Net banking income</b>	<b>433</b>	<b>+11%</b>	<b>821</b>	<b>-2%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<i>+10%</i>		<i>0%</i>
<b>Gross operating income</b>	<b>174</b>	<b>+14%</b>	<b>312</b>	<b>-4%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<i>+14%</i>		<i>-2%</i>
<b>Net allocation to provisions</b>	<b>(42)</b>	<b>-11%</b>	<b>(77)</b>	<b>-30%</b>
<b>Operating income</b>	<b>132</b>	<b>+26%</b>	<b>235</b>	<b>+9%</b>
<b>Net income</b>	<b>59</b>	<b>+26%</b>	<b>102</b>	<b>+5%</b>
	<b>Q2 03</b>	<b>Q2 02</b>	<b>H1 03</b>	<b>H1 02</b>
<b>ROE after tax</b>	<b>36.4%</b>	<b>30.0%</b>	<b>30.7%</b>	<b>31.6%</b>

The international retail banking networks, whose reach extends through 30 subsidiaries and which currently serve 5.3 million customers (individuals, self-employed professionals and businesses), also turned in a sound performance. The international networks remained on a dynamic growth trend, acquiring nearly 500,000 individual customers year-on-year through organic growth and over 400,000 through acquisitions.

The banking model confirmed its stability thanks to the well-balanced geographical mix of activities, the diversity of the customer bases that include individuals, self-employed professionals and businesses, and the harnessing of synergies with the Group's other business lines.

Komercni Banka, the largest subsidiary, continued to implement its development strategy successfully, notably on the individual customer segment, while keeping a tight rein on its costs and risks.

Net banking income generated by Retail Banking outside France rose by nearly 10% when adjusted for changes in Group structure and at constant exchange rates, while gross operating income was up by 14% against the second quarter of 2002. The net allocation to provisions dropped by 11%. Net income thus showed an increase of 26%.

Over the first half of 2003, operating income was up by nearly 9% on the same period in 2002 and the ROE after tax came out at 30.7%.

## Financial Services

<i>In EUR million</i>	Q2 03	Change vs. Q2 02	H1 03	Change vs. H1 02
<b>Net banking income</b>	<b>460</b>	<b>+25%</b>	<b>892</b>	<b>+15%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<i>+14%*</i>		<i>+3%</i>
<b>Gross operating income</b>	<b>162</b>	<b>+64%</b>	<b>298</b>	<b>+23%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<i>+49%</i>		<i>+13%</i>
<b>Net allocation to provisions</b>	<b>(40)</b>	<b>+29%</b>	<b>(72)</b>	<b>+4%</b>
<b>Operating income</b>	<b>122</b>	<b>+79%</b>	<b>226</b>	<b>+30%</b>
<b>Net income</b>	<b>77</b>	<b>+83%</b>	<b>142</b>	<b>+29%</b>
	<b>Q2 03</b>	<b>Q2 02</b>	<b>H1 03</b>	<b>H1 02</b>
<b>ROE after tax</b>	<b>13.7%</b>	<b>8.6%</b>	<b>12.7%</b>	<b>11.4%</b>

\* Revenues in the second quarter of 2002 included the impact of a provision for early redemption risk in the amount of EUR 44 million booked by Sogecap.

The Financial Services business line continued to develop.

Despite an unfavourable environment, the Business Finance and Services activities saw a pick-up in commercial activity compared with the first quarter of 2003, registering a slight improvement in margins on new loans. A new Europe-wide vendor finance programme was signed with Philips in the field of medical equipment.

A similar trend was seen in operational vehicle leasing and fleet management, where revenues were up by 6% on the second quarter of 2002 when adjusted for changes in Group structure. The process of integrating Hertz Lease into ALD Automotive is on track and will enable the synergies announced at the time of the acquisition to be realised by the end of 2004.

New consumer loans grew by 22% in relation to the second quarter of 2002 across all three of the Group's subsidiaries in this area (Franfinance, CGI and Fiditalia), with a marked improvement in margins facilitated by the drop in interest rates.

The ROE after tax for the Group's Specialised Financing activities stood at 18% in the second quarter of 2003 compared with 14.4% for the same period in 2002.

The Life Insurance business and the Securities and Banking Services activities, which are both included in this group of businesses, held up well in the face of an unfavourable environment marked by low interest rates and stock market volumes.

## 4. GLOBAL INVESTMENT MANAGEMENT

<i>In EUR million</i>	Q2 03	Change vs. Q2 02	H1 03	Change vs. H1 02
<b>Net banking income</b>	<b>287</b>	<b>-14%</b>	<b>563</b>	<b>-15%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		-6%		-9%
<b>Operating expenses</b>	<b>(202)</b>	<b>-14%</b>	<b>(403)</b>	<b>-13%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		-5%		-4%
<b>Gross operating income</b>	<b>85</b>	<b>-12%</b>	<b>160</b>	<b>-20%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		-10%		-18%
<b>Net income</b>	<b>53</b>	<b>-14%</b>	<b>103</b>	<b>-18%</b>
<i>of which Asset Management</i>	<i>42</i>	<i>-18%</i>	<i>80</i>	<i>-22%</i>
<i>Private Banking</i>	<i>11</i>	<i>0%</i>	<i>23</i>	<i>-4%</i>
	<b>Q2 03</b>	<b>Q2 02</b>	<b>H1 03</b>	<b>H1 02</b>
<b>Net new money over period</b>	<b>1.7</b>	<b>7.4</b>	<b>4.6</b>	<b>19.1</b>
<i>In EUR bn</i>				
<b>Assets under management (end of period)</b>	<b>272.7</b>	<b>289.0</b>		
<i>In EUR bn</i>				

The sales performances of the Global Investment Management arm remained satisfactory, with a net inflow of new money amounting to EUR 1.7 billion on still sluggish equity markets. Total assets under management stood at EUR 272.7 billion, up by EUR 11 billion on end-March 2003. After weathering the mediocre environment that marked the 2002 financial year, these businesses showed the first signs of a return to form in the second quarter.

### Asset Management

The Group's Asset Management business is underpinned by a global platform covering virtually all the world's markets and investment pools. It is pursuing a strategy based on growth drivers such as its alternative investment expertise and its presence in strong growth regions (Asia, "pre-in" countries in Central Europe set to join the European Union). It also benefits from asset gathering potential offered by cross-selling and third-party distribution.

Despite the deferral of some CDO renewal transactions in the United States, the business registered a net inflow of new money over the period (EUR +1.1 billion). Asset gathering was particularly strong on the alternative investment segment (EUR +1.4 billion), which offers long-term growth potential and on which the Group has carved out a leading position. Overall, total assets under management rose to EUR 235.9 billion at end-June 2003 from EUR 226.5 billion at end-March 2003 and management performances were excellent in relation to the benchmarks.

## **Private Banking**

Private Banking pursued its strategy of selective development in Europe and Asia. On July 8th 2003, the Group acquired Compagnie Bancaire Genève, which has over EUR 8 billion of assets under management. This entity will be consolidated in the Group accounts from the third quarter of 2003 and the merger of the unit with the Group's Swiss subsidiary, SG Ruegg Bank, will take place in the fourth quarter. At the same time, the business line continued to develop its platform in Asia, which accounted for 16% of assets under management at end-June 2003 compared with 13% at end-June 2002.

Net new money (EUR +0.6 billion over the quarter) was satisfactory and total assets under management amounted to EUR 36.8 billion. This amount excludes assets totalling EUR 63 billion managed for customers holding over EUR 150,000 of investible assets with the Group's two retail banking networks in France.

## **5. CORPORATE AND INVESTMENT BANKING**

<i>In EUR million</i>	Q2 03	Change vs. Q2 02	H1 03	Change vs. H1 02
<b>Net banking income</b>	<b>1,471</b>	<b>+8%</b>	<b>2,662</b>	<b>+1%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+17%</b>		<b>+9%</b>
<b>Operating expenses</b>	<b>(859)</b>	<b>-8%</b>	<b>(1,625)</b>	<b>-11%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+2%</b>		<b>-2%</b>
<b>Gross operating income</b>	<b>612</b>	<b>+42%</b>	<b>1,037</b>	<b>+29%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+48%</b>		<b>+34%</b>
<b>Net allocation to provisions</b>	<b>(206)</b>	<b>+25%</b>	<b>(391)</b>	<b>+22%</b>
<b>Operating income</b>	<b>406</b>	<b>+52%</b>	<b>646</b>	<b>+33%</b>
<b>Net income</b>	<b>313</b>	<b>+69%</b>	<b>511</b>	<b>+45%</b>
	<b>Q2 03</b>	<b>Q2 02</b>	<b>H1 03</b>	<b>H1 02</b>
<b>ROE after tax</b>	<b>33.8%</b>	<b>20.1%</b>	<b>28.0%</b>	<b>19.7%</b>

The Corporate and Investment Banking arm generated an exceptional level of profitability over the quarter, demonstrating its ability to capitalise on the highly favourable market conditions seen in the second quarter of 2003. The business once again produced one of the highest returns on equity in Europe. This performance reflected the combination of a record level of revenues in Corporate Banking and Fixed Income and remarkable performances by the Equity & Advisory activities. These exceptional results were achieved without any increase in market risks and with a well-balanced revenue mix, with client-driven revenues accounting for over 60% of net banking income in the first half of 2003.

This performance also reflected the cost-cutting efforts begun over two years ago. Operating expenses were stable when adjusted for changes in Group structure and at constant exchange rates, resulting in a 10-point drop in the cost/income ratio year-on-year.

The net allocation to provisions stood at EUR 206 million, representing a slight increase in relation to the first quarter of 2003 (EUR 185 million). Provisioning for occurred losses held stable but, in light of the uncertainties weighing on certain economic sectors, EUR 100 million was allocated to the general credit risk reserve.



Net income booked by the business rose by 69% in relation to the second quarter of 2002, while the ROE stood at a remarkable 33.8% after tax (45% before tax).

Over the first half of 2003, the ROE after tax was very high at 28.0% (against 19.7% for the first half of 2002).

### **Corporate Banking and Fixed Income**

Net banking income generated by Corporate Banking and Fixed Income stood at a record high, up 19% on the second quarter of 2002 when adjusted for changes in Group structure and at constant exchange rates. The Treasury and Fixed Income activities capitalised on a favourable environment in terms of both interest rates and credit spreads. A high level of activity was also seen on the primary bond market, with a twofold increase in the volume of issues underwritten by the Group for its corporate clients. Despite the persistent sluggishness of corporate investment, the financing businesses turned in a satisfactory performance over the period, notably driven by Acquisition Finance and Leverage Finance.

Although an increase was seen in performance-linked pay related to the growth in revenues, operating expenses were stable (+1% in relation to the second quarter of 2002 when adjusted for changes in Group structure and at constant exchange rates).

Despite the high level of general risk provisioning, net income booked by Corporate Banking and Fixed Income rose by 33% for an ROE after tax of 19.6% in the second quarter.

### **Equity and Advisory**

The Equity and Advisory business line turned in a remarkable performance, with revenues rising by 14% when adjusted for changes in Group structure and at constant exchange rates in relation to the second quarter of 2002, itself a high benchmark.

Sales of structured products to distribution networks (retail banks, asset managers) were particularly robust. The trading and arbitrage activities also produced strong results. Over the quarter, the Group finalised the acquisition of Constellation Financial Management, a US firm that provides fund managers with deferred commission asset securitisation services. This acquisition will be consolidated in the Group's accounts from the third quarter of 2003.

The Cash Equity and Advisory arm saw a pick-up in activity in relation to the first quarter of 2003, notably registering sustained activity in convertible and exchangeable bond issues. The business line, which was the leading market participant on Euronext during the first half, also capitalised on the upturn in secondary market trading volumes.

Overall, net income booked by Equity and Advisory more than doubled in relation to both the second quarter of 2002 and the first quarter of 2003 to stand at EUR 151 million for the period.

## **6. CORPORATE CENTRE**

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Over the quarter, the Corporate Centre booked a net loss of EUR 30 million.

Gross operating income was close to break-even (EUR -10 million versus EUR -44 million in the second quarter of 2002). The proprietary investment activities realised a capital gain after tax of EUR 193 million (EUR 242 million before tax) on the disposal of the 3.68% stake in Crédit Lyonnais. The Group decided to allocate EUR 150 million to its General Reserve for Banking Risks.

No significant provisioning was booked on the industrial equity portfolio thanks to the stabilisation of the stock markets during the second quarter. At June 30th 2003, the net book value of the industrial equity portfolio amounted to EUR 2.8 billion and its market value stood at EUR 3.0 billion.

CONSOLIDATED INCOME STATEMENT (in millions of euros)	Second Quarter		Change			First Half		Change	
	2003	2002	Q2/Q1	Q2/Q2	2003	2002	Change		
Net banking income	4,106	3,852	9.5%	6.6%	9.1% (*)	7,855	7,556	4.0%	6.3% (*)
Operating expenses	(2,652)	(2,719)	5.3%	-2.5%	-0.1% (*)	(5,171)	(5,385)	-4.0%	-1.0% (*)
<b>Gross operating income</b>	<b>1,454</b>	<b>1,133</b>	<b>18.2%</b>	<b>28.3%</b>	<b>30.9% (*)</b>	<b>2,684</b>	<b>2,171</b>	<b>23.6%</b>	<b>23.8% (*)</b>
Net allocation to provisions	(377)	(287)	14.2%	31.4%	39.9% (*)	(707)	(573)	23.4%	32.2% (*)
<b>Operating income</b>	<b>1,077</b>	<b>846</b>	<b>19.7%</b>	<b>27.3%</b>	<b>28.0% (*)</b>	<b>1,977</b>	<b>1,598</b>	<b>23.7%</b>	<b>21.1% (*)</b>
Net income from long-term investments	239	(131)	NM	NM		127	(64)	NM	
Net income from companies accounted for by the equity method	12	3	20.0%	NM		22	2	NM	
Exceptional items and General Reserve for Banking Risks	(150)	(2)	NM	NM		(150)	(4)	NM	
Amortisation of goodwill	(60)	(62)	50.0%	-3.2%		(100)	(101)	-1.0%	
Income tax	(358)	(198)	63.5%	80.8%		(577)	(404)	42.8%	
<b>Net income before minority interests</b>	<b>760</b>	<b>456</b>	<b>41.0%</b>	<b>66.7%</b>		<b>1,299</b>	<b>1,027</b>	<b>26.5%</b>	
Minority interests	(65)	(80)	16.1%	-18.8%		(121)	(140)	-13.6%	
<b>Net income</b>	<b>695</b>	<b>376</b>	<b>43.9%</b>	<b>84.8%</b>		<b>1,178</b>	<b>887</b>	<b>32.8%</b>	
Annualised Group ROE after tax (%)	18.5%	9.8%				15.6%	11.7%		
Tier-one ratio at end of period	8.1%	8.3%				8.1%	8.3%		

(\*) When adjusted for changes in Group structure and at constant exchange rates.

NET INCOME AFTER TAX BY CORE BUSINESS (in millions of euros)	Second Quarter		Change		First Half		Change
	2003	2002	Q2/Q1	Q2/Q2	2003	2002	
<b>Retail Banking &amp; Financial Services</b>	<b>359</b>	<b>289</b>	<b>18.9%</b>	<b>24.2%</b>	<b>661</b>	<b>598</b>	<b>10.5%</b>
o.w. French Networks	223	200	14.9%	11.5%	417	391	6.6%
o.w. Financial Services	77	42	18.5%	83.3%	142	110	29.1%
o.w. Retail Banking outside France	59	47	37.2%	25.5%	102	97	5.2%
<b>Global Investment Management</b>	<b>53</b>	<b>62</b>	<b>6.0%</b>	<b>-14.5%</b>	<b>103</b>	<b>126</b>	<b>-18.3%</b>
o.w. Asset Management	42	51	10.5%	-17.6%	80	102	-21.6%
o.w. Private Banking	11	11	-8.3%	0.0%	23	24	-4.2%
<b>Corporate &amp; Investment Banking</b>	<b>313</b>	<b>185</b>	<b>58.1%</b>	<b>69.2%</b>	<b>511</b>	<b>352</b>	<b>45.2%</b>
o.w. Equity & Advisory	151	63	NM	NM	221	119	85.7%
o.w. Corporate Banking & Fixed Income	162	122	26.6%	32.8%	290	233	24.5%
<b>CORE BUSINESSES</b>	<b>725</b>	<b>536</b>	<b>31.8%</b>	<b>35.3%</b>	<b>1,275</b>	<b>1,076</b>	<b>18.5%</b>
<b>Corporate Centre</b>	<b>(30)</b>	<b>(160)</b>	<b>-55.2%</b>	<b>-81.3%</b>	<b>(97)</b>	<b>(189)</b>	<b>-48.7%</b>
<b>GROUP</b>	<b>695</b>	<b>376</b>	<b>43.9%</b>	<b>84.8%</b>	<b>1,178</b>	<b>887</b>	<b>32.8%</b>

## QUARTERLY RESULTS BY CORE BUSINESS

(in millions of euros)	2001	2002				2003	
	Q2	Q1	Q2	Q3	Q4	Q1	Q2
<b>Retail Banking &amp; Financial Services</b>							
Net banking income	1,910	2,174	2,118	2,145	2,247	2,169	2,306
Operating expenses	(1,325)	(1,482)	(1,470)	(1,438)	(1,483)	(1,517)	(1,539)
<i>Gross operating income</i>	585	692	648	707	764	652	767
Net allocation to provisions	(90)	(165)	(151)	(150)	(187)	(133)	(158)
<i>Operating income</i>	495	527	497	557	577	519	609
Net income from long-term investments	3	1	(7)	29	(2)	(2)	3
Net income from companies accounted for by the equity method	2	3	7	4	0	4	4
Income tax	(174)	(180)	(168)	(196)	(197)	(176)	(209)
<i>Net income before minority interests</i>	326	351	329	394	378	345	407
Minority interests	(27)	(42)	(40)	(52)	(41)	(43)	(48)
<i>Net income</i>	299	309	289	342	337	302	359
<b>o.w. French Networks</b>							
Net banking income	1,281	1,321	1,358	1,335	1,400	1,349	1,413
Operating expenses	(921)	(947)	(961)	(943)	(955)	(971)	(982)
<i>Gross operating income</i>	360	374	397	392	445	378	431
Net allocation to provisions	(54)	(64)	(73)	(72)	(88)	(66)	(76)
<i>Operating income</i>	306	310	324	320	357	312	355
Net income from long-term investments	3	0	0	7	5	1	4
Net income from companies accounted for by the equity method	1	0	1	1	0	1	1
Income tax	(110)	(107)	(115)	(109)	(127)	(109)	(126)
<i>Net income before minority interests</i>	200	203	210	219	235	205	234
Minority interests	(9)	(12)	(10)	(9)	(9)	(11)	(11)
<i>Net income</i>	191	191	200	210	226	194	223
<b>Global Investment Management</b>							
Net banking income	238	334	332	296	342	276	287
Operating expenses	(138)	(230)	(235)	(215)	(225)	(201)	(202)
<i>Gross operating income</i>	100	104	97	81	117	75	85
Net allocation to provisions	0	0	0	(5)	(9)	0	0
<i>Operating income</i>	100	104	97	76	108	75	85
Net income from long-term investments	0	(1)	0	(1)	(8)	(1)	0
Net income from companies accounted for by the equity method	0	0	0	0	0	0	0
Income tax	(33)	(33)	(30)	(25)	(32)	(23)	(27)
<i>Net income before minority interests</i>	67	70	67	50	68	51	58
Minority interests	(1)	(6)	(5)	(2)	(2)	(1)	(5)
<i>Net income</i>	66	64	62	48	66	50	53
<b>Corporate &amp; Investment Banking</b>							
Net banking income	1,234	1,272	1,365	987	1,145	1,191	1,471
Operating expenses	(960)	(899)	(933)	(757)	(898)	(766)	(859)
<i>Gross operating income</i>	274	373	432	230	247	425	612
Net allocation to provisions	(93)	(155)	(165)	(186)	(211)	(185)	(206)
<i>Operating income</i>	181	218	267	44	36	240	406
Net income from long-term investments	1	(1)	(25)	2	48	0	1
Net income from companies accounted for by the equity method	6	0	6	0	12	1	6
Income tax	(46)	(47)	(57)	32	(6)	(42)	(97)
<i>Net income before minority interests</i>	142	170	191	78	90	199	316
Minority interests	(7)	(3)	(6)	(6)	(5)	(1)	(3)
<i>Net income</i>	135	167	185	72	85	198	313

## QUARTERLY RESULTS BY CORE BUSINESS (continued)

	2001		2002			2003	
	Q2	Q1	Q2	Q3	Q4	Q1	Q2
<b>o.w. Equity &amp; Advisory</b>							
Net banking income	494	491	524	226	341	369	562
Operating expenses	(464)	(411)	(422)	(288)	(397)	(281)	(342)
<i>Gross operating income</i>	30	80	102	(62)	(56)	88	220
Net allocation to provisions	0	0	0	(5)	(13)	0	(10)
<i>Operating income</i>	30	80	102	(67)	(69)	88	210
Net income from long-term investments	0	0	(12)	0	(4)	(2)	0
Net income from companies accounted for by the equity method	0	0	0	0	0	0	0
Income tax	0	(24)	(27)	37	47	(16)	(59)
<i>Net income before minority interests</i>	30	56	63	(30)	(26)	70	151
Minority interests	(2)	0	0	0	0	0	0
<i>Net income</i>	28	56	63	(30)	(26)	70	151
<b>o.w. Corporate Banking &amp; Fixed Income</b>							
Net banking income	740	781	841	761	804	822	909
Operating expenses	(496)	(488)	(511)	(469)	(501)	(485)	(517)
<i>Gross operating income</i>	244	293	330	292	303	337	392
Net allocation to provisions	(93)	(155)	(165)	(181)	(198)	(185)	(196)
<i>Operating income</i>	151	138	165	111	105	152	196
Net income from long-term investments	1	(1)	(13)	2	52	2	1
Net income from companies accounted for by the equity method	6	0	6	0	12	1	6
Income tax	(46)	(23)	(30)	(5)	(53)	(26)	(38)
<i>Net income before minority interests</i>	112	114	128	108	116	129	165
Minority interests	(5)	(3)	(6)	(6)	(5)	(1)	(3)
<i>Net income</i>	107	111	122	102	111	128	162
<b>Corporate Centre</b>							
Net banking income	4	(76)	37	(107)	(38)	113	42
Operating expenses	(91)	(55)	(81)	(33)	(92)	(35)	(52)
<i>Gross operating income</i>	(87)	(131)	(44)	(140)	(130)	78	(10)
Net allocation to provisions	2	34	29	16	4	(12)	(13)
<i>Operating income</i>	(85)	(97)	(15)	(124)	(126)	66	(23)
Net income from long-term investments	235	68	(99)	(267)	(36)	(109)	235
Net income from companies accounted for by the equity method	8	(4)	(10)	19	11	5	2
Exceptional items and GRBR	(6)	(2)	(2)	(4)	(3)	0	(150)
Amortisation of goodwill	(11)	(39)	(62)	(45)	(38)	(40)	(60)
Income tax	10	54	57	101	78	22	(25)
<i>Net income before minority interests</i>	151	(20)	(131)	(320)	(114)	(56)	(21)
Minority interests	(10)	(9)	(29)	4	(10)	(11)	(9)
<i>Net income</i>	141	(29)	(160)	(316)	(124)	(67)	(30)
<b>GROUP</b>							
Net banking income	3,386	3,704	3,852	3,321	3,696	3,749	4,106
Operating expenses	(2,514)	(2,666)	(2,719)	(2,443)	(2,698)	(2,519)	(2,652)
<i>Gross operating income</i>	872	1,038	1,133	878	998	1,230	1,454
Net allocation to provisions	(181)	(286)	(287)	(325)	(403)	(330)	(377)
<i>Operating income</i>	691	752	846	553	595	900	1,077
Net income from long-term investments	239	67	(131)	(237)	2	(112)	239
Net income from companies accounted for by the equity method	16	(1)	3	23	23	10	12
Exceptional items and GRBR	(6)	(2)	(2)	(4)	(3)	0	(150)
Amortisation of goodwill	(11)	(39)	(62)	(45)	(38)	(40)	(60)
Income tax	(243)	(206)	(198)	(88)	(157)	(219)	(358)
<i>Net income before minority interests</i>	686	571	456	202	422	539	760
Minority interests	(45)	(60)	(80)	(56)	(58)	(56)	(65)
<i>Net income</i>	641	511	376	146	364	483	695

## QUARTERLY NET INCOME BY CORE BUSINESS

<i>(in millions of euros)</i>	2001	2002				2003	
	2nd Quarter	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter
<b>Retail Banking &amp; Financial Services</b>	<b>299</b>	<b>309</b>	<b>289</b>	<b>342</b>	<b>337</b>	<b>302</b>	<b>359</b>
French Networks	191	191	200	210	226	194	223
Financial Services	83	68	42	86	64	65	77
Retail Banking outside France	25	50	47	46	47	43	59
<b>Global Investment Management</b>	<b>66</b>	<b>64</b>	<b>62</b>	<b>48</b>	<b>66</b>	<b>50</b>	<b>53</b>
Asset Management	53	51	51	43	56	38	42
Private Banking	13	13	11	5	10	12	11
<b>Corporate &amp; Investment Banking</b>	<b>135</b>	<b>167</b>	<b>185</b>	<b>72</b>	<b>85</b>	<b>198</b>	<b>313</b>
Equity & Advisory	28	56	63	(30)	(26)	70	151
Corporate Banking & Fixed Income	107	111	122	102	111	128	162
<b>CORE BUSINESSES</b>	<b>500</b>	<b>540</b>	<b>536</b>	<b>462</b>	<b>488</b>	<b>550</b>	<b>725</b>
<b>Corporate Centre</b>	<b>141</b>	<b>(29)</b>	<b>(160)</b>	<b>(316)</b>	<b>(124)</b>	<b>(67)</b>	<b>(30)</b>
<b>GROUP</b>	<b>641</b>	<b>511</b>	<b>376</b>	<b>146</b>	<b>364</b>	<b>483</b>	<b>695</b>

## QUARTERLY ROE BY CORE BUSINESS

<i>(%)</i>	2001	2002				2003	
	2nd Quarter	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter
<b>Retail Banking &amp; Financial Services</b>	<b>18.9%</b>	<b>18.0%</b>	<b>16.9%</b>	<b>19.9%</b>	<b>19.6%</b>	<b>16.7%</b>	<b>19.5%</b>
French Networks	18.3%	17.8%	18.7%	19.7%	21.1%	17.8%	20.0%
Financial Services	19.7%	14.1%	8.6%	17.4%	12.9%	11.9%	13.7%
Retail Banking outside France	21.2%	31.1%	30.0%	29.6%	30.1%	25.8%	36.4%
<b>Global Investment Management</b>	<b>96.3%</b>	<b>75.7%</b>	<b>65.6%</b>	<b>51.3%</b>	<b>71.0%</b>	<b>53.5%</b>	<b>55.4%</b>
Asset Management	154.7%	104.6%	87.2%	75.8%	98.7%	67.9%	74.3%
Private Banking	38.0%	36.4%	30.6%	13.6%	27.6%	32.0%	28.0%
<b>Corporate &amp; Investment Banking</b>	<b>12.3%</b>	<b>18.0%</b>	<b>20.1%</b>	<b>7.7%</b>	<b>9.0%</b>	<b>21.5%</b>	<b>33.8%</b>
Equity & Advisory	15.8%	45.5%	52.2%	-25.8%	-24.4%	68.8%	148.4%
Corporate Banking & Fixed Income	11.6%	13.8%	15.3%	12.5%	13.2%	15.6%	19.6%
<b>CORE BUSINESSES</b>	<b>18.2%</b>	<b>19.8%</b>	<b>19.7%</b>	<b>16.8%</b>	<b>17.7%</b>	<b>19.5%</b>	<b>25.3%</b>
<b>GROUP</b>	<b>18.4%</b>	<b>13.6%</b>	<b>9.8%</b>	<b>3.8%</b>	<b>9.7%</b>	<b>13.1%</b>	<b>18.5%</b>