PRESS RELEASE

Paris, September 12, 2011

ACCELERATING THE TRANSFORMATION

SOCIETE GENERALE: THE HARD FACTS

- **GIIPS: we have a low, declining and manageable sovereign exposure of EUR 4.3 billion**
- **Legacy assets: we accelerated disposals, selling EUR 3.5 billion of assets in Q3 to date, with no impact on the Group P&L**
- **Short term liquidity: we have successfully managed the reduction in access to USD funding affecting European banks**
- **Long term funding: we have completed 100% of our program for 2011**
- **The Group's universal banking model is robust and diversified**

THE NEW ENVIRONMENT CALLS FOR RESOLUTE ACTIONS

- **Reduce leverage**
    - **SGCIB will scale down businesses adversely affected by regulation or with low cross selling potential**
    - **Legacy asset disposals will continue at a high pace**
- **Control costs**
    - **Strong headcount reductions underway in specific countries**
    - **Reduction of 5% of the SGCIB cost base**
- **The Group will free EUR 4 billion of capital by 2013 through business assets disposals, i.e 100bps of Basel 3 Core Tier 1 ratio**

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TARGETING OF FULLY LOADED BASEL 3 CORE TIER 1 RATIO WELL ABOVE 9% BY 2013 WITHOUT A CAPITAL INCREASE

In the context of the current climate of uncertainty, turbulent financial markets and unsubstantiated rumours affecting banks in general and Societe Generale in particular, the Group is providing updated information on its credit exposures and funding situation and an outline of the measures by which it intends to accelerate the Group's transformation in order to adjust to an emerging new environment.

Frédéric Oudéa, the Group's Chairman and CEO, stated: "In the current uncertain and sometimes irrational environment, it is necessary now more than ever to understand the hard facts. Societe Generale's foundations are solid. Its exposure to GIIPS sovereign debt is low and very manageable in any final scenario. The Group's businesses are profitable, its liquidity situation is very much satisfactory and so are its shareholder equity and solvency levels. Based on its strengths and with the conviction that a new environment has started to emerge after the summer of 2011, the Group has decided to accelerate and to adapt the execution of its strategic plan. It will therefore be able to meet the new regulatory requirements with a Basel 3 Core Tier 1 well above 9% by the end of 2013 with no capital increase »

1. SOCIETE GENERALE BALANCE SHEET IS SOUND

Societe Generale has very limited exposure to the risks currently perceived by the market, a sound balance sheet and significant liquidity buffers, as highlighted below.

EXPOSURE TO GIIPS : LOW, DECLINING AND MANAGEABLE

The Group's banking book exposure to GIIPS sovereign debt is low and limited to EUR 4.3 billion as of September 9, 2011 and is well below the exposure of peers, as confirmed by the disclosure of the European Banking Authority Stress Test in July 2011. This exposure represents less than 1% of the consolidated balance sheet.
As of September 9, the market valuation of the Group's banking book exposure on GIIPS sovereigns stands EUR 0.4 billion below book value. The exposure to GIIPS sovereigns is not an issue for Société Générale.

Within this total, Societe Generale's exposure to Greek government bonds is EUR 0.9 billion as of September 9, 2011 and has decreased vs. June 2011 due to redemptions. In Q2 2011, we took EUR 395 million provisions before tax on the Group's Greek government bonds. On the basis of these provisions, the mark down compared to par is 35% of the gross Greek government bonds outstanding. Importantly, none of these bonds are maturing beyond 2020.

Societe Generale's sovereign exposure to Ireland and Portugal, the other two countries that are undergoing a EU restructuring plan, is not significant.

The Group has no retail banking networks in GIIPS countries except in Greece. In a very difficult economic environment, its subsidiary will continue to be in a loss making position, but this is manageable for the Group: its loan portfolio is limited (EUR 3.3 billion), representing less than 1% of the consolidated balance sheet. The NPL assessment of the loan book is strict, and its coverage ratio is already the highest among Greek banks, at 63%.

STRONG ACCELERATION OF LEGACY ASSETS DISPOSALS

Year to date, the Group's legacy portfolio was reduced by EUR 8 billion, of which EUR 4.3 billion in Q3 11 to date alone, highlighting a significant acceleration. The EUR 4.3 billion reduction amount includes EUR 3.5 billion of disposals in Q3 11 to date, with no impact on the Group P&L.

The dismantling of CDOs of RMBS initiated in Q4 10 goes on and is now expected to free up to EUR 1.3 billion of Basel 3 regulatory capital.

In June of last year, Societe Generale has engaged Blackrock Solutions' to perform an independent assessment of its legacy assets on a quarterly basis: Blackrock Solutions' Q2 11 intrinsic valuation of the Banking Book is EUR 1.8bn greater than Societe Generale's own valuations. Blackrock Solutions' assumptions are based on Q2 11 market information, but Blackrock Solutions does not expect substantial variance in valuations in Q3 11 despite market volatility.

SUCCESSFUL MANAGEMENT OF REDUCED ACCESS TO SHORT TERM USD LIQUIDITY

The recent months have seen a reduction in the supply of USD liquidity by US money market funds to European banks, including Societe Generale.

Importantly during this period, liquidity in EUR has remained abundant at all times.
Regarding USD funding, the Group has successfully addressed the reduction in USD funding access, through a combination of the following:

1) Acceleration of disposals of USD legacy assets,
2) Increased its use of secured USD funding (eg. Repos of EUR 6bn CMBS and CLOs with maturity longer than 6 months)
3) EUR/USD swaps
4) Reduction in short term market positions.

Those actions altogether enabled the Group to fully mitigate the reduction in USD funding experienced since June 2011. As a result, the Group has already today a lower reliance on wholesale unsecured short-term funding.

At the same time, the Group's excess short-term resources at the Federal Reserve increased from USD 26 billion at the end of June to USD 34 billion at the end of August. The Group's buffer of unencumbered liquid assets stood stable vs. the end of June at EUR 105 billion : Societe Generale's ability to adjust is intact.

2011 LONG TERM FUNDING PROGRAMME COMPLETED

As of early September 2011, Societe Generale had completed its EUR 26 billion long term funding programme for the year through the successful placement of a wide range of issuance products in several currencies to a broad investor base. Issuance was achieved at competitive spreads below the Group's CDS level, despite an extension of the average maturity of its long term debt as compared to 2010 issuance.

Regarding our 2012 planned issuance, the Group remains confident as 2012 funding needs will be mitigated by the continued deleverage of the balance sheet.

SOCIETE GENERALE

2. THE GROUP'S UNIVERSAL BANKING MODEL IS ROBUST AND DIVERSIFIED

In each financial year since 2007, Societe Generale generated positive results despite severe impacts from the crisis. Societe Generale has EUR 40.6 billion in shareholder equity, an amount that has nearly doubled since 2007.

The strength of this model is based on three core pillars and two businesses that work in synergies with them.

FRENCH RETAIL NETWORKS

In France, the Group operates in a sound and low risk market with the third largest network by size of revenues. Commercial activity during the first half of 2011 was dynamic, with excellent deposit growth of 12.7% and life insurance inflows outperforming the market. In H1 11 vs. H1 10, revenues increased by 5.5% and the net income contribution by 24.5%, well above competitors.

INTERNATIONAL RETAIL BANKING

In international retail banking, the Group has a well diversified presence in countries with growth potential and sound economic perspectives (public debt/GDP ratios well below those in developed countries), as reflected in recent upgrades of the sovereign ratings of the Czech Republic and Romania to AA[1] and BBB-[2] respectively. The contribution to income of the largest franchise, in the Czech Republic, has been strong and recurring. In Russia our newly merged subsidiary is up and running and taking advantage of strong loan growth to individual clients (up 10% in H1 11 vs H1 10) in a fast growing economy. Merger synergies in the form of 2000 headcount reductions will take effect in 2012. In Romania activity recovered in Q2 11, costs reduction efforts were effective and the cost of risk is expected to improve in H2 11. In the Mediterranean basin revenues were resilient during H1 11 (+6% vs H1 10) and profitability remained very satisfactory in a context of political transitions in several countries.

CORPORATE AND INVESTMENT BANKING

The Group Corporate & Investment Banking activity has been a steady contributor to Group Net income, with a significantly reduced risk profile compared to pre-crisis levels. In H1 11, these activities contributed to more than EUR 1.0 billion in Group Net Income. At 60% in H1 11, the SG CIB cost-to-income ratio is one of the lowest in the industry. SGCIB's core franchises – equity derivatives, natural resources, infrastructure and export finance, EMEA clients and markets - are sound and hold leading positions. The Group has started to prepare for greater disintermediation through investments in fee-based investment banking activities, selective upgrades of its fixed-income product offer and widen asset distribution capacities.
This transformation will be accelerated in response to the structural changes of the environment.

3. RESOLUTE ACTIONS TO ACCELERATE THE TRANSFORMATION

Uncertainties about the macroeconomic growth in developed countries may remain in place in the foreseeable future, in a context of constrained budgetary policies. In particular, funding will be scarcer and more expensive for all banks. In this new global environment, banks, including Societe Generale, need to adjust their strategy accordingly. This is why the Group will accelerate and adapt its "Ambition SG 2015" transformation plan presented in June 2010.

[1] S&P
[2] FitchRatings

The Group's leverage will be reduced:

- In Corporate and Investment Banking, the Group will scale down businesses adversely affected by regulations, or with low cross-selling potential which eventually will lead to a further decrease of funding consumption;
- Legacy assets disposals will continue at a high pace;

The Group will strictly control its costs:

- Strong headcount reductions are underway in specific countries
- In Corporate and Investment Banking, a 5% reduction program in its cost base is implemented

The Group will free EUR 4 billion of capital by 2013 through business assets disposals, i.e 100bps of Basel 3 Core Tier 1 ratio.

Overall, taking into account the above mentioned deleverage actions, the Group targets a fully loaded Basel III Core Tier 1 ratio well above 9% by 2013 without a capital increase.

Societe Generale

Societe Generale is one of the largest European financial services groups. Based on a diversified universal banking model, the Group combines financial solidity with a strategy of sustainable growth, and aims to be the reference for relationship banking, recognised on its markets, close to clients, chosen for the quality and commitment of its teams.

Its 157,000 employees* based in 85 countries accompany more than 33 million clients throughout the world on a daily basis. Societe Generale' teams offer advice and services to individual, corporate and institutional customers in three core businesses:

- Retail banking in France with the Societe Generale branch network, Credit du Nord and Boursorama
- International retail banking, with a presence in Central and Eastern Europe and Russia, in the Mediterranean basin, in Sub-Saharan Africa, in Asia and in the French Overseas Territories
- Corporate and investment banking with a global expertise in investment banking, financing and global markets.

Societe Generale is also a significant player in specialised financing and insurance, private banking, asset management and securities services.

Societe Generale is included in the international socially-responsible investment indices: FTSE4good and ASPI. www.societegenerale.com

** including employees of Societe Marseillaise de Credit acquired in September 2010 by Credit du Nord*