# SOCIETE GENERALE

# GROUP RESULTS

## 1st QUARTER 2016 RESULTS

4 MAY 2016

SOCIETE GENERALE

BUILDING TEAM SPIRIT TOGETHER

# DISCLAIMER

This presentation contains forward-looking statements relating to the targets and strategies of the Societe Generale Group.

These forward-looking statements are based on a series of assumptions, both general and specific, in particular the application of accounting principles and methods in accordance with IFRS (International Financial Reporting Standards) as adopted in the European Union, as well as the application of existing prudential regulations.

These forward-looking statements have also been developed from scenarios based on a number of economic assumptions in the context of a given competitive and regulatory environment. The Group may be unable to:
- anticipate all the risks, uncertainties or other factors likely to affect its business and to appraise their potential consequences;
- evaluate the extent to which the occurrence of a risk or a combination of risks could cause actual results to differ materially from those provided in this document and the related presentation.

Therefore, although Societe Generale believes that these statements are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, including matters not yet known to it or its management or not currently considered material, and there can be no assurance that anticipated events will occur or that the objectives set out will actually be achieved. Important factors that could cause actual results to differ materially from the results anticipated in the forward-looking statements include, among others, overall trends in general economic activity and in Societe Generale's markets in particular, regulatory and prudential changes, and the success of Societe Generale's strategic, operating and financial initiatives.

More detailed information on the potential risks that could affect Societe Generale's financial results can be found in the Registration Document filed with the French Autorité des Marchés Financiers.

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The financial information presented for the quarter year ending 31st March 2016 was reviewed by the Board of Directors on 3rd May 2016 and has been prepared in accordance with IFRS as adopted in the European Union and applicable at this date, and has not been audited.

## INTRODUCTION

# Q1 16: SOLID RESULTS REFLECTING THE STRENGTH OF A DIVERSIFIED MODEL

**Retail Banking activities offsetting markets slowdown**

Group NBI at EUR 6.2bn in Q1 16 vs. EUR 6.4bn in Q1 15, -3,3%(1)*, benefitting from business model and synergies against a challenging financial backdrop

Strict monitoring of costs: -0.5%*(2) vs. Q1 15

High quality of portfolio: cost of risk down -10.1%* vs. Q1 15 at 46bp vs. 55bp in Q1 15

Group Net Income stable overall

- Increased contribution to Group Net Income from Retail Banking businesses: +18% from French Retail Banking, x2 in International Retail Banking and Financial Services
- Market activities impacted by global economic uncertainties

Reported Group Net Income of EUR 924m in Q1 16 (vs. EUR 868m in Q1 15), up +6.5%
Group Net Income(1) stable at EUR 829m in Q1 16 (vs. EUR 833m in Q1 15)

**Continued reinforcement of very strong Balance Sheet**

Fully loaded CET 1 at 11.1%, vs. 10.9% at end-2015. Steady capital generation in Q1 16

Leverage ratio at 4.0%, stable vs. end-2015

EPS(1) stable at EUR 0.90 in Q1 16

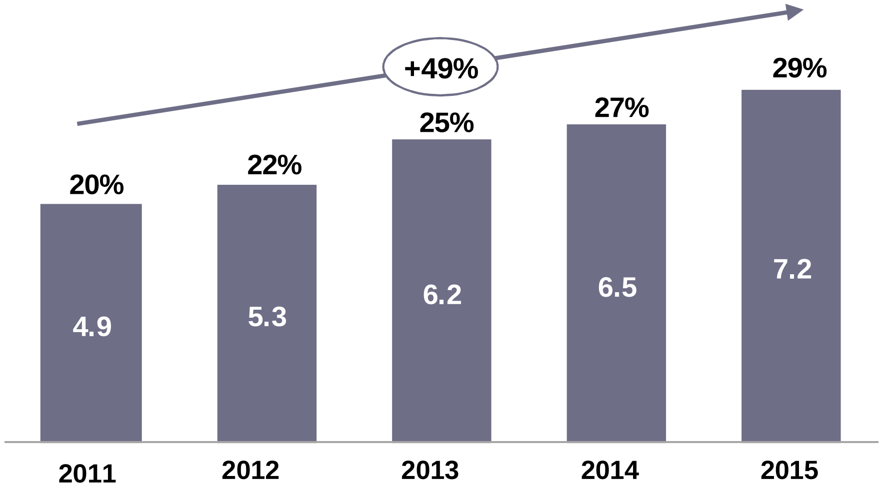
* When adjusted for changes in Group structure and at constant exchange rates
(1) Excluding revaluation of own financial liabilities and DVA (refer to p. 30)
(2) Excluding Euribor fine refund and adjusted for IFRIC 21
NB. Solvency ratios based on CRR/CRD4 rules integrating the Danish compromise for insurance. See Methodology, section 5

# A CLIENT-CENTRIC BUSINESS MODEL GENERATING ~30% REVENUE SYNERGIES IN 2015

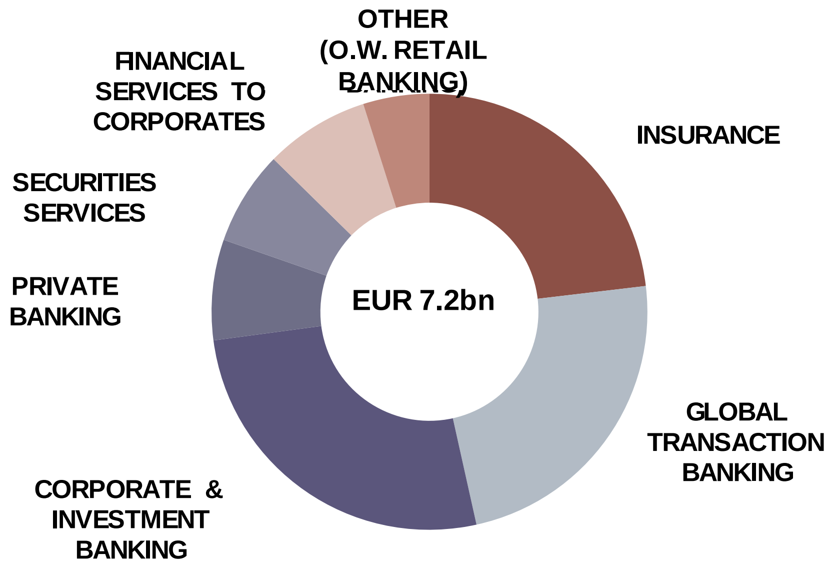
- Significant growth of revenues from synergies in 2015: +11% vs. 2014 to EUR 7.2bn
- Main contributors to 2015 increase:
  - **Global Transaction Banking in the International Banking network**
  - **Financial Services to Corporates: ALD and Equipment Finance**
  - **Hedging services to Corporates**
  - **Mid-Cap CIB for retail networks**
  - **Market and Newedge clients cross-selling**
  - **Asset Based Products**
  - **Private Banking**

High degree of integration of our universal banking model

**Increased Revenue from Synergies**
**(in EUR bn and % of NBI excl. non-economic items)**




**2015 Synergy Revenue by Activity**

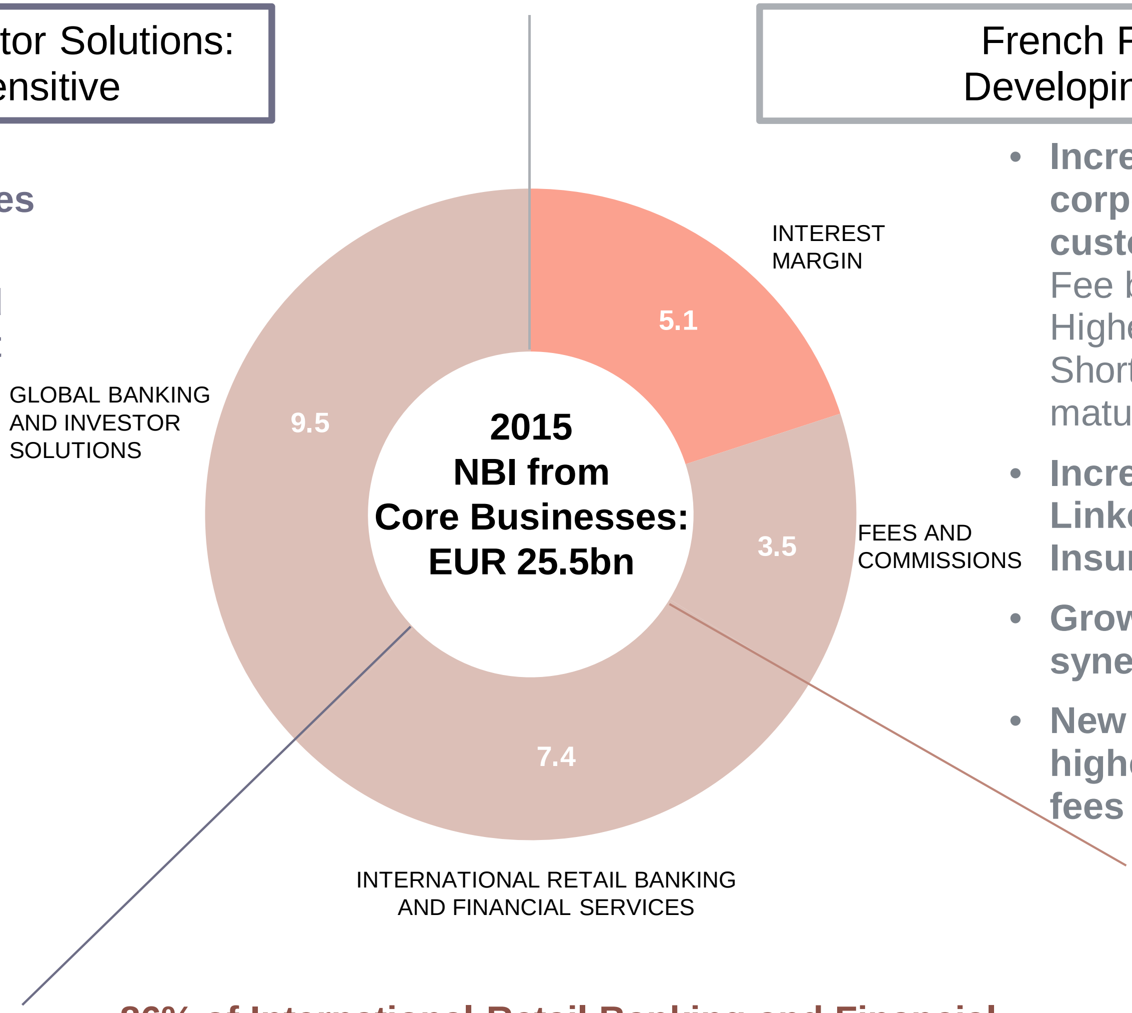



Note : Management data. NBI excluding revaluation of own financial liabilities and DVA

# A BUSINESS MIX LIMITING THE IMPACT OF NEGATIVE INTEREST RATES ENVIRONMENT

**Global Banking and Investor Solutions: Structurally less sensitive**

- **Business model based on credit spread and fees**
- **Securities Services - main business exposed to deposit reinvestment risk**




**French Retail Banking: Developing fee revenues**

- **Increased contribution of corporate and professional customers**
  Fee business development
  Higher credit spreads
  Short and medium-term maturity
- **Increased penetration of Unit Linked products in Life Insurance**
- **Growth drivers pushing synergies and fee income**
- **New loan production at higher margin and generating fees**

- **86% of International Retail Banking and Financial Services NBI generated outside the Eurozone**

**International Retail Banking and Financial Services: Exposure to markets outside negative interest rate policy risk**

COMPONENTS OF NBI MORE DIRECTLY EXPOSED TO NEGATIVE INTEREST RATES

# AN ONGOING DISCIPLINE ON COSTS WITH TANGIBLE RESULTS

## Transformation and Cost Initiatives

### FRENCH RETAIL BANKING

- Digitalisation of customer relationship model
- Optimising branch network
- Transform operational model of transaction processing

### INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES

- Hubbing of expertise
- Sharing of digital expertise across regions
- Ongoing transformation in Russia and Romania

### GLOBAL BANKING AND INVESTOR SOLUTIONS

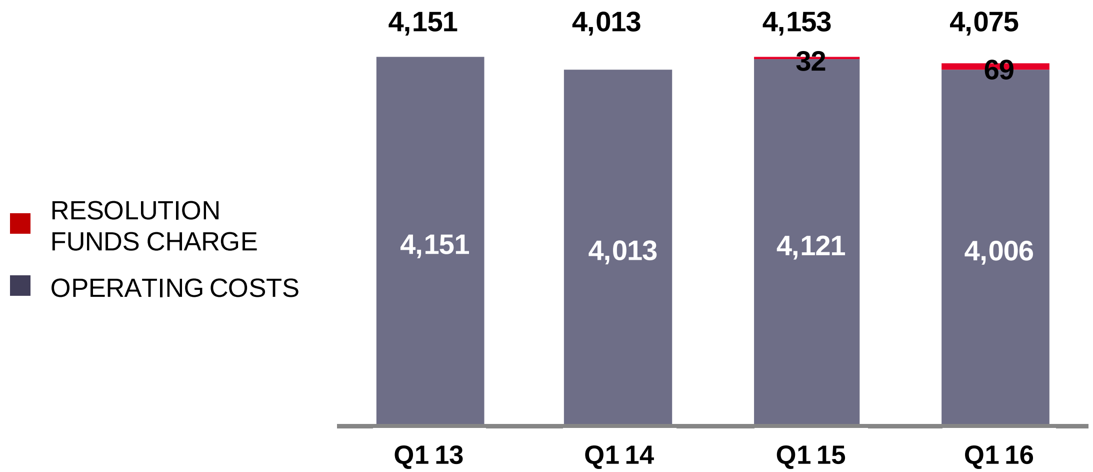
- Further repositioning of business, exit from less profitable activities
- Increased offshoring and process automation

### CORPORATE CENTRE AND GROUP FUNCTIONS

- Alignment and streamlining of Corporate Functions
- Mutualisation and off-shoring

## 2016 Costs to be curbed within -1% to 0% range vs. 2015, i.e 0% to +1% excluding Euribor fine refund

**GROUP OPERATING COSTS(1) (IN EUR M)**

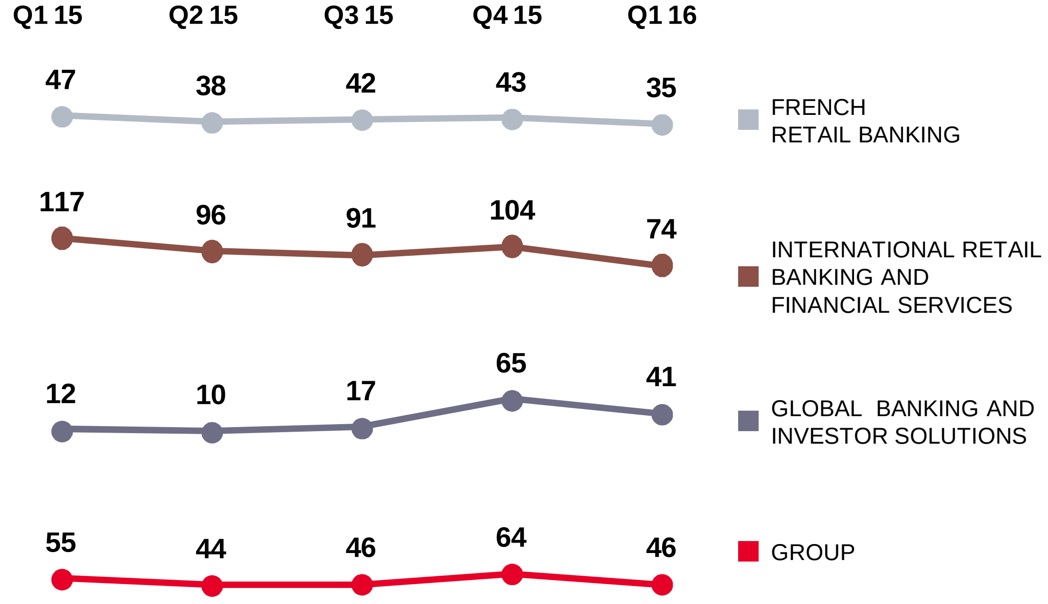



(1) Group operating costs as published in respective years, adjusted for IFRIC 21 implementation and 100% Newedge in Q1 13 and Q1 14. Excluding partial refund of the Euribor fine (EUR 218m in Q1 16).

# LOW COST OF RISK IN Q1, CONFIRMATION OF ANNUAL GROUP GUIDANCE

- French Retail Banking
  - **Decrease of cost of risk on both retail and corporate segments**
- International Retail Banking and Financial Services
  - **Decrease in cost of risk in Europe and Africa, particularly on the Corporate portfolio**
  - **Stability in Russia**
- Global Banking and Investor Solutions
  - **Additional provisioning on Oil & Gas sector**
- Group gross doubtful loan coverage ratio at 64%, flat vs. end-Q4 15

**Cost of Risk(1) (in bp)**




**Group Net Allocation to Provisions(2) (in EUR m)**

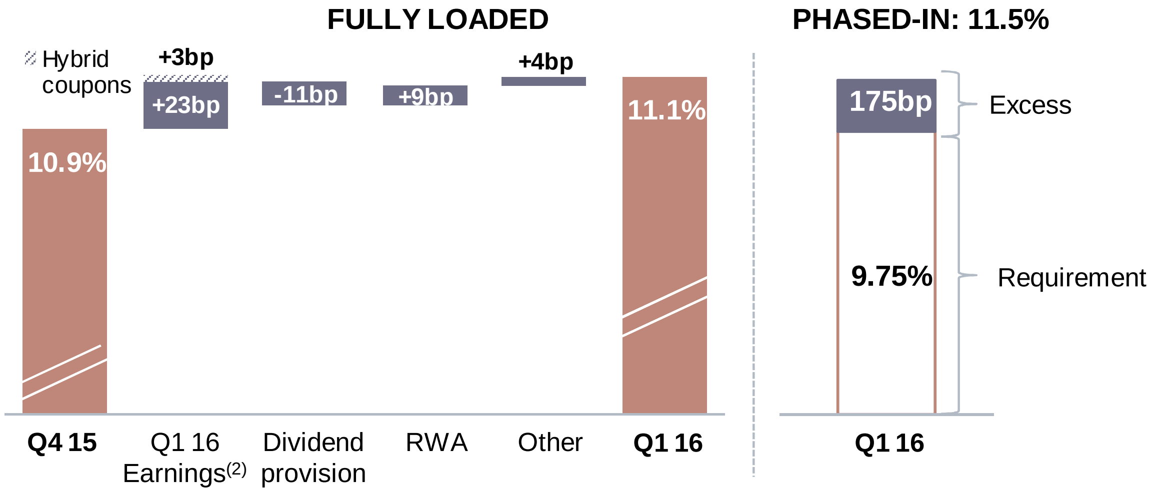
| Q1 15 | Q2 15 | Q3 15 | Q4 15 | Q1 16 |
|---|---|---|---|---|
| (613) | (524) | (571) | (757) | (524) |

(1) Excluding provisions for disputes. Outstandings at beginning of period. Annualised
(2) Adjusted for allocation to collective provision for disputes in Q2 15 (EUR -200m) and allocation of EUR -400m in Q4 15

# CONTINUED REINFORCEMENT OF SOLID CAPITAL POSITION

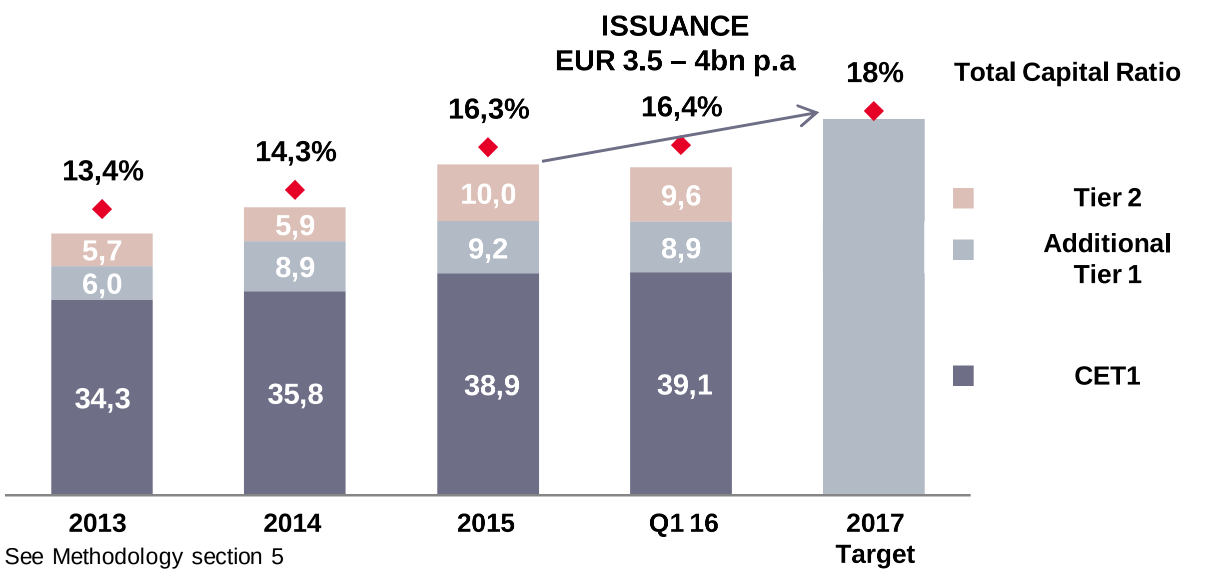
- Strong capital build momentum
  - **11.1% CET1(1) at end Q1 16 (+25bp vs. Q4 15)**
  - **Global capital ratio at 16.4% at end-Q1 16**

**CET1 Ratio(1)**




- Proactive management of capital requirements
  - **Comfortable capital levels: Category 1 bank according to ECB standards**
  - **Reduced amount to issue to reach TLAC requirements**

**Solvency Ratios and regulatory requirements (in EUR bn)**




(1) Fully loaded based on CRR/CRD4 rules, including Danish compromise for insurance. See Methodology section 5
(2) Excluding non recurring items – EURIBOR fine refund and IFRIC 21 adjustments

# SOLID RESULTS IN Q1 16

- Robust retail banking activities and strong momentum from synergies
  - **Resilient NBI in French Retail Banking**
  - **Strong growth from International Retail Banking and Financial Services NBI up +5.4%* vs Q1 15**
  - **Global Banking and Investor Solutions: solid growth in Financing and Advisory, low market revenue amid unfavourable conditions**
- Costs down vs. Q1 15: -0.5%* excluding Euribor fine refund and adjusted for IFRIC 21
- Continued decrease in cost of risk

Group Net Income(1) at EUR 829m in Q1 16 vs. EUR 833m in Q1 15
EPS(1) stable at 0.90 EUR in Q1 16

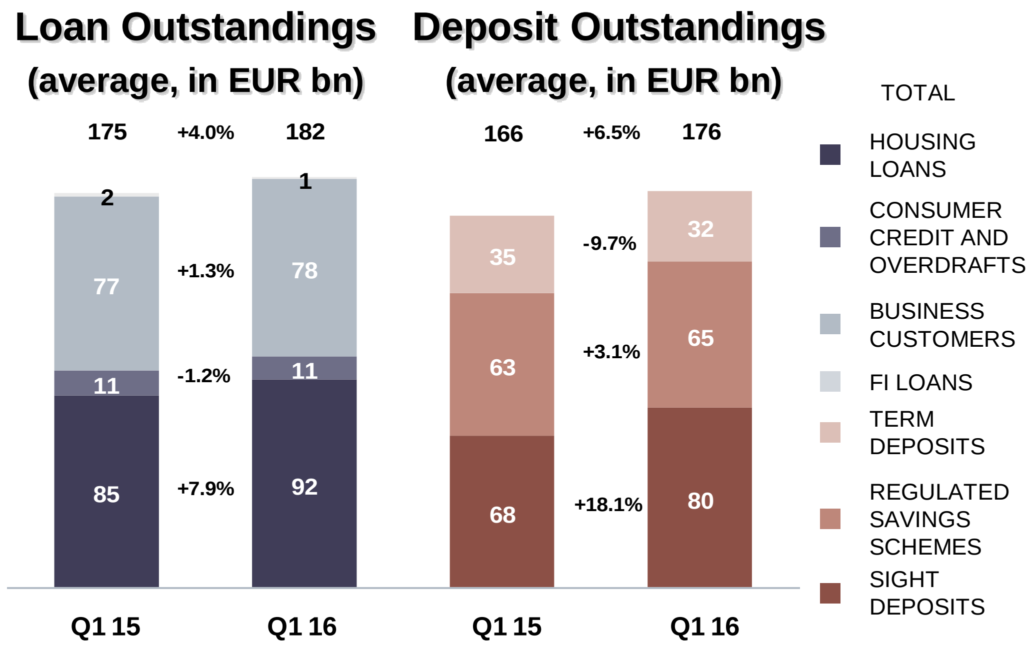
## Group Results (in EUR m)

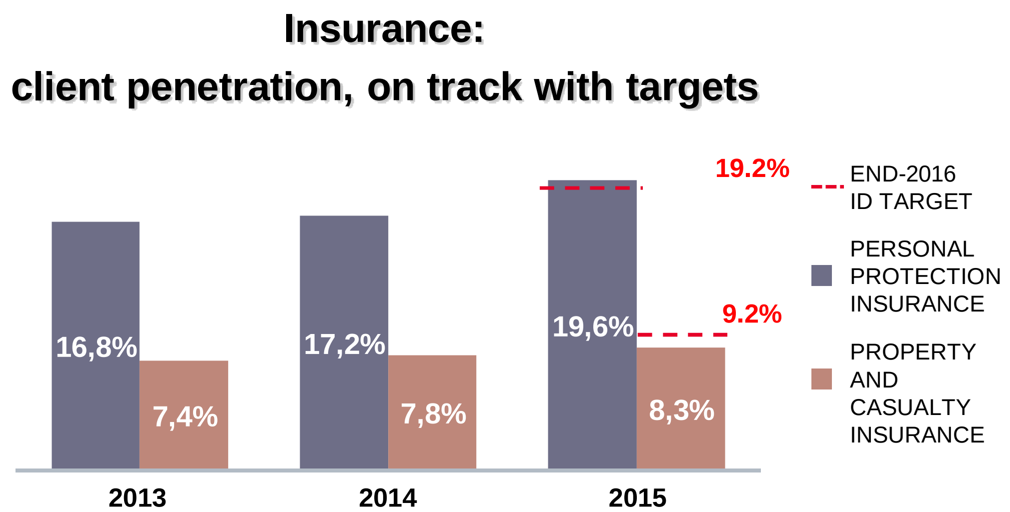
| In EUR m | Q1 16 | Q1 15 | Change | |
|---|---|---|---|---|
| **Net banking income** | **6,175** | **6,353** | ***-2.8%*** | ***-1.8%**** |
| *Net banking income(1)* | *6,030* | *6,300* | *-4.3%* | *-3.3%** |
| Operating expenses | (4,284) | (4,442) | *-3.6%* | *-2.3%** |
| **Gross operating income** | **1,891** | **1,911** | ***-1.0%*** | ***-0.5%**** |
| *Gross operating income(1)* | *1,746* | *1,858* | *-6.0%* | *-5.5%** |
| Net cost of risk | (524) | (613) | *-14.5%* | *-10.1%** |
| Operating income | 1,367 | 1,298 | *+5.3%* | *+3.8%** |
| *Operating income(1)* | *1,222* | *1,245* | *-1.8%* | *-3.3%** |
| Net profits or losses from other assets | 4 | (34) | *n/s* | *n/s* |
| Impairment losses on goodwill | 0 | 0 | *n/s* | *n/s* |
| **Reported Group net income** | **924** | **868** | ***+6.5%*** | ***+6.5%**** |
| Group net income(1) | 829 | 833 | *-0.5%* | *-0.5%** |
| **ROE (after tax)** | **7.1%** | **6.9%** | | |
| Adjusted ROE (2) | 9.8% | 8.5% | | |

* When adjusted for changes in Group structure and at constant exchange rates
(1) Excluding revaluation of own financial liabilities and DVA (refer to p. 30)
(2) Adjusted for IFRIC 21 implementation

# SOLID COMMERCIAL PERFORMANCE

- Client acquisition in Q1 16
  - **More than 1,000 new Corporate customers**
  - **Record acquisition at Boursorama: +61,000 in France (vs. end-2015)**
- Significant growth of loan book +4.0% and deposit outstanding +6.5%
  - **Steady increase of production on Corporate investment (+15%) and Consumer credit loans (+11%)**
  - **Normalised production on home loans (-32% vs. Q1 15), after a record year in 2015**
- Developing growth drivers: increased cross-selling generating fee revenues
  - **Life insurance gross inflows EUR +3.0bn, rise of client penetration in Personal Protection and P&C insurance**
  - **Private Banking: net inflows EUR +0.7bn**
  - **Growth initiatives in the Corporate segment**



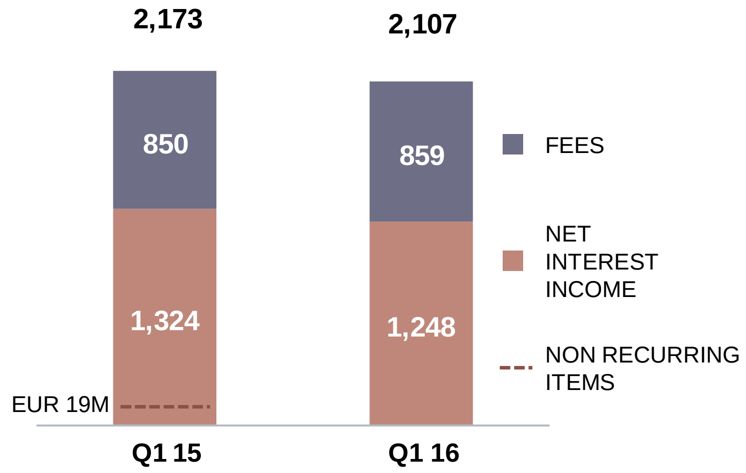



# GOOD PROFITABILITY IN A LOW INTEREST RATE ENVIRONMENT

- Erosion of the NBI[1], as anticipated:
  - **-3.0% vs. Q1 15, -2.2% excluding non recurring items in Q1 15**
- Net interest income: -4.4%[1] excluding non recurring items in Q1 15
  - **Lower reinvestment yield on deposit**
  - **Absorption of negative impact of mid-2015 renegotiation wave of home loans**
- Fees and commissions: 41% NBI reflecting successful synergy initiatives
  - **Higher management fees from Life insurance and Private Banking**
- Costs up: increase in levies and investment in the transformation of the 3 networks

Contribution to Group Net Income:
EUR 328m, +17.6%
Adjusted RONE[2] at 14.8%

## Net Banking Income[1] (in EUR m)




## French Retail Banking Results

| In EUR m | Q1 16 | Q1 15 | Change |
|---|---|---|---|
| **Net banking income** | **2,084** | **2,064** | ***+1.0%*** |
| *Net banking income ex. PEL/CEL* | *2,107* | *2,173* | *-3.0%* |
| Operating expenses | (1,425) | (1,391) | ***+2.4%*** |
| **Gross operating income** | **659** | **673** | ***-2.1%*** |
| *Gross banking income ex. PEL/CEL* | *682* | *782* | *-12.8%* |
| Net cost of risk | (180) | (230) | *-21.7%* |
| Operating income | 479 | 443 | *+8.1%* |
| **Reported Group net income** | **328** | **279** | *+17.6%* |
| **RONE** | **12.6%** | **10.5%** | |
| Adjusted RONE (2) | 14.8% | 14.1% | |

(1) Excluding PEL/CEL provision
(2) Adjusted for IFRIC 21 implementation and PEL/CEL provision

# TRANSFORMING THE MODEL: IMPROVED CLIENT EXPERIENCE AND EFFICIENCY

**2015: launch of new relationship model** → **2016: start of execution** → **2017: first expected results** → → **2020: full benefit**

## Transformation Levers

### Digitalisation

- Roll-out of online and mobile banking, e-transactions, paper-free banking, Straight Through Processing

### Expertise

- Hubbing of experts
- Increased recourse to specialised marketers

### Streamlining of setup

- Simplified operating processes
- Reduction of back office centres
- Adjustment of branch network

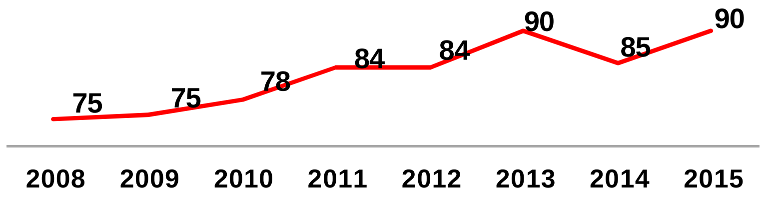
## Target operating model

### Optimised set-up: multi-channel banking service with experts on demand

- Societe Generale Back-Office: from 20 to 14 centres, -20% staff reduction
- Societe Generale Branch network: -400 branches (-20%)

## Improved efficiency

Gross Operating income per FTE
(in EUR thousands)



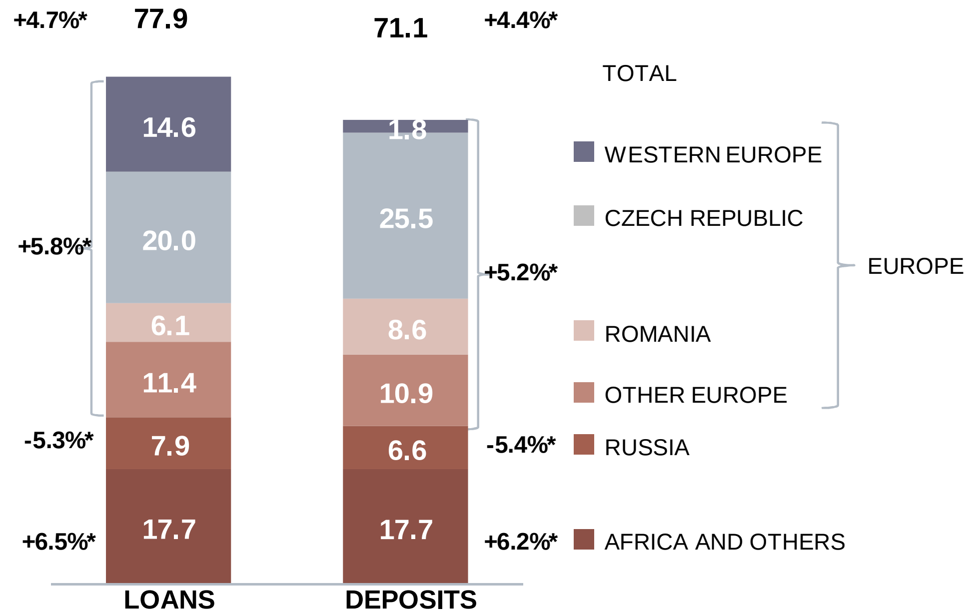

Note : working assumptions. Any decision will be taken in accordance to legal and social applicable framework

# POSITIVE COMMERCIAL MOMENTUM

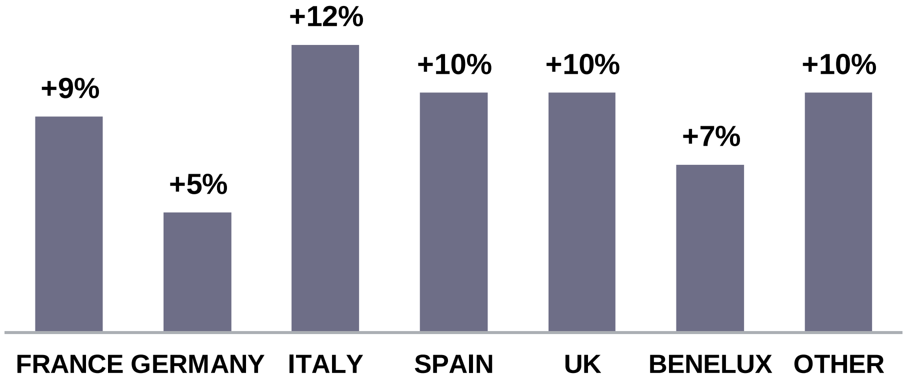
- International Retail Banking
  - **Strong volume growth in Europe (loans +6%*) mainly in Czech Republic (+7%*) and Western Europe (+7%*)**
  - **Steady growth in Africa (loans +8%*)**
  - **Russia: successful corporate franchise – production x2 vs. Q1 15, selective retail origination**
- Insurance
  - **Life insurance: net inflows at EUR 0.8bn, of which 60% unit-linked**
  - **Personal Protection, Property & Casualty: solid premium growth (+8% vs. Q1 15)**
- Financial Services to Corporates
  - **ALD Automotive: fleet up +9% vs. Q1 15, through both organic growth and bolt-on acquisitions**

    **Acquisition of Parcours closed: 61.5k additional vehicles reinforcing ALD's leadership positions in France and Europe**
  - **Equipment Finance: steady business growth (+3%* vs. Q1 15[(1)]), sustained margins**

**International Retail Banking**
**Loan and Deposit Outstandings Breakdown**
**(in EUR bn – change vs. End Q1 15, in %*)**



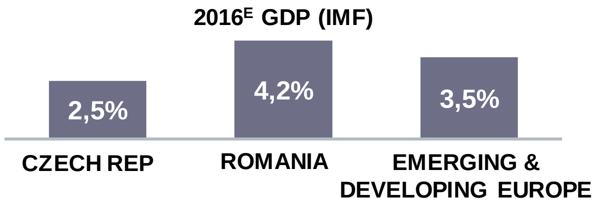

**ALD Fleet Growth by Geography**
**(vs. Q1 15)**




* When adjusted for changes in Group structure and at constant exchange rates
(1) Excluding factoring

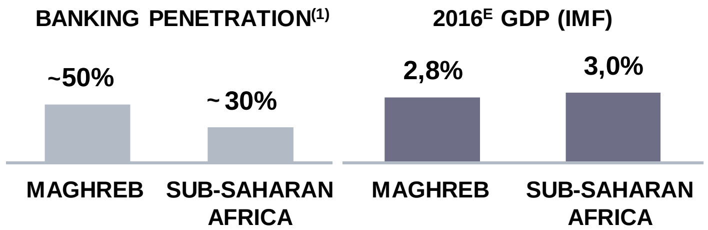
# CONFIRMATION OF STRONG POTENTIAL OF BUSINESSES

## Good Growth Potential in Central & Eastern Europe



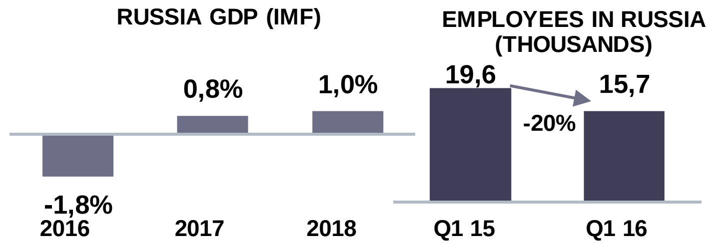

- KB (#3 in Czech Republic) highly profitable despite margin pressure
- Further improvement expected in Balkan franchises

## Leadership in Africa

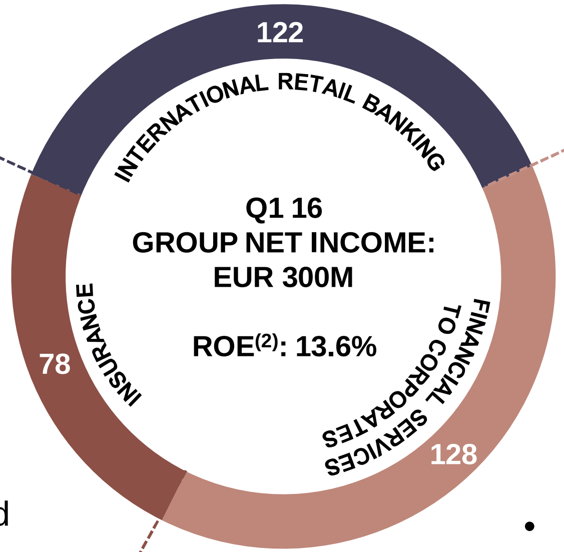



- #1 bank in French speaking Sub-Saharan Africa and #3 international bank in Africa

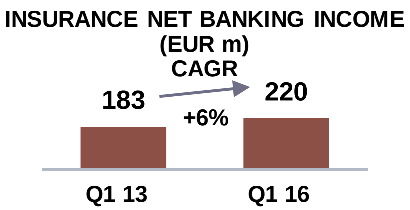
## Preparing for Progressive Russian Recovery




- Ongoing setup transformation
- Reducing losses in a still challenging 2016 environment

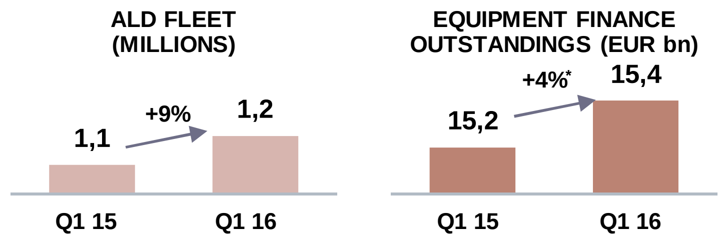



## Successful Bankinsurance Model




- Roll out of the bankinsurance model in France and internationally

## Leading Financial Services to Corporates




- ALD: above market growth and leader in Europe
- European leader in Equipment Finance

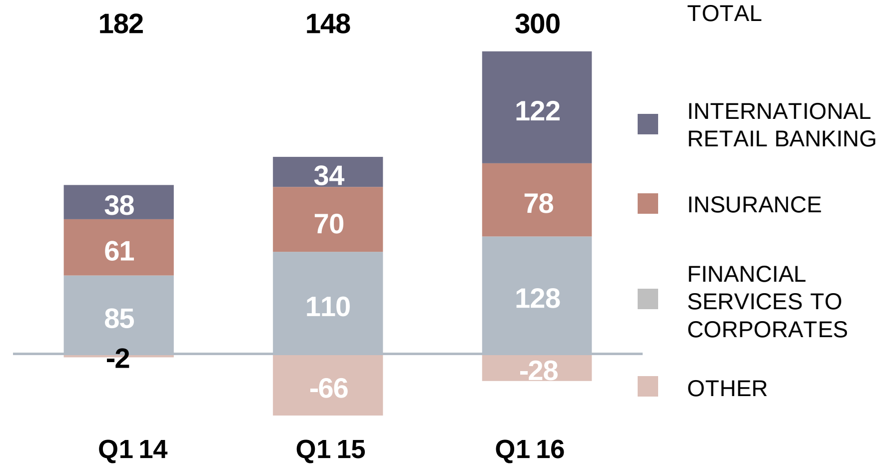
(1) % age 15+ with bank account (World Bank/Central Bank data)
(2) Annualised, adjusted for IFRIC 21 implementation
** When adjusted for changes in Group structure and at constant exchange rates
NB: Group Net Income breakdown from Business Lines, excluding "Others"

# STRONG FINANCIAL PERFORMANCE

- Revenues up +5.4%* vs. Q1 15
  - **Steady development across businesses and international network**
- Stable* operating expenses excluding increase of contributions to resolution funds
- Strong increase of contribution to Group Net Income
  - **International Retail Banking: growth in all regions**
  - **Reduced losses in SG Russia (EUR -18m vs. EUR -89m in Q1 15)**
  - **Continuation of positive dynamics in Insurance (+11% vs. Q1 15) and Financial Services (+16% vs. Q1 15)**

Contribution to Group net income EUR 300m, 2x vs. Q1 15
RONE 13.6% pro forma IFRIC 21

## Contribution to Group net income** (in EUR m)




## International Retail Banking and Financial Services Results

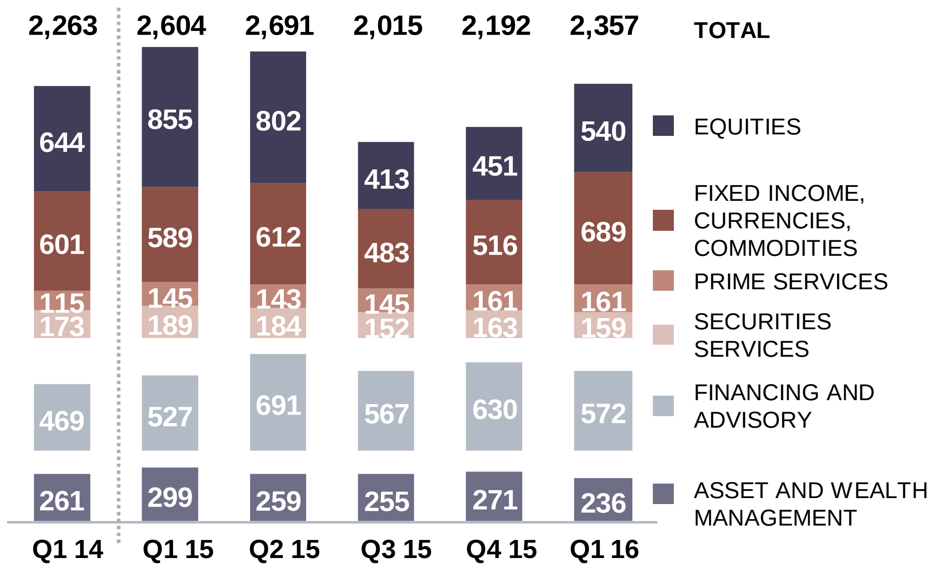
| In EUR m | Q1 16 | Q1 15 | Change | |
|---|---|---|---|---|
| **Net banking income** | **1,825** | **1,795** | ***+1.7%*** | ***+5.4%**** |
| Operating expenses | (1,133) | (1,157) | *-2.1%* | *+2.1%** |
| **Gross operating income** | **692** | **638** | ***+8.5%*** | ***+11.4%**** |
| Net cost of risk | (212) | (333) | *-36.3%* | *-30.7%** |
| Operating income | 480 | 305 | *+57.4%* | *+51.9%** |
| Net profits or losses from other assets | 0 | (25) | *n/s* | *n/s* |
| Impairment losses on goodwill | 0 | 0 | *n/s* | *n/s* |
| **Reported Group net income** | **300** | **148** | ***x 2,0*** | ***+83.0%**** |
| **RONE** | **11.4%** | **5.7%** | | |
| Adjusted RONE(1) | 13.6% | 7.0% | | |
| Adjusted Cost income ratio (1) | 56.5% | 60.2% | | |

* When adjusted for changes in Group structure and at constant exchange rates
** Q1 14 data as published in Q1 15 excluding goodwill impairment
(1) Adjusted for IFRIC 21 implementation

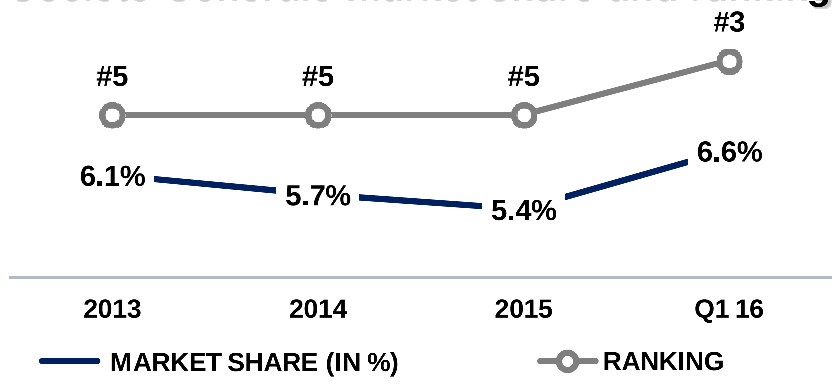
# RESILIENT NBI VERSUS INDUSTRY THANKS TO BALANCED BUSINESS MODEL

- Global Markets and Investor Services: NBI -12.9% vs. Q1 15
  - **Equities, -36.8%: slow start of the year, particularly on Structured products, resilient Listed products**
  - **FICC, +17.0%: strong performance reflecting good commercial activity notably in Rates and Commodities**
  - **Prime Services, +11.0%: increased volumes**
  - **Securities Services, -15.9%: lower level of markets and interest rates**
- Financing and Advisory: NBI up +8.5% vs. Q1 15
  - **Robust revenues from Structured Financing and Natural Resources.**
- Asset and Wealth Management: -21.1% vs. Q1 15
  - **Private Banking: strong net inflows. Lower revenues due to weak markets and positive one-offs in Q1 15**
  - **Lyxor: pressure on revenues, positive inflows**

**Net Banking Income[1] (in EUR m)**




**DCM Euro denominated bond issuance: Societe Generale market share and ranking**




(1) Including 100% of Newedge in Q1 14

Source: IFR All International Euro-denominated Bonds

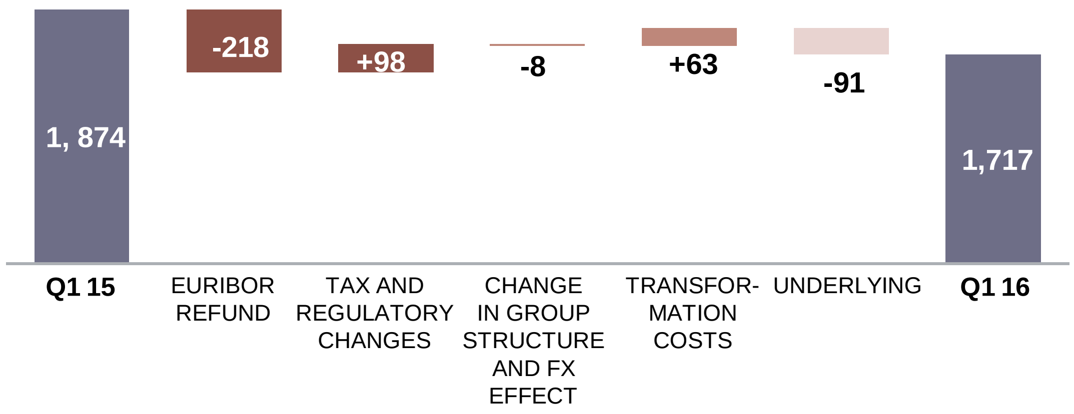
# IMPROVING EFFICIENCY TO MAINTAIN SUSTAINABLE PROFITABILITY

- New cost cutting efforts to offset further additional costs of doing business
- Additional savings of EUR 220m by 2017 on top of already announced EUR 323m
  - **Exit or restructuring of non profitable and non synergetic activities: FIC agency execution, UK government bonds primary dealership, Mortgage Backed Securities sales and trading desk**
  - **Additional efforts on staff reduction and offshoring**
  - **Simplification of organisation and de-layering**
  - **Process reengineering, automation and digitalisation**

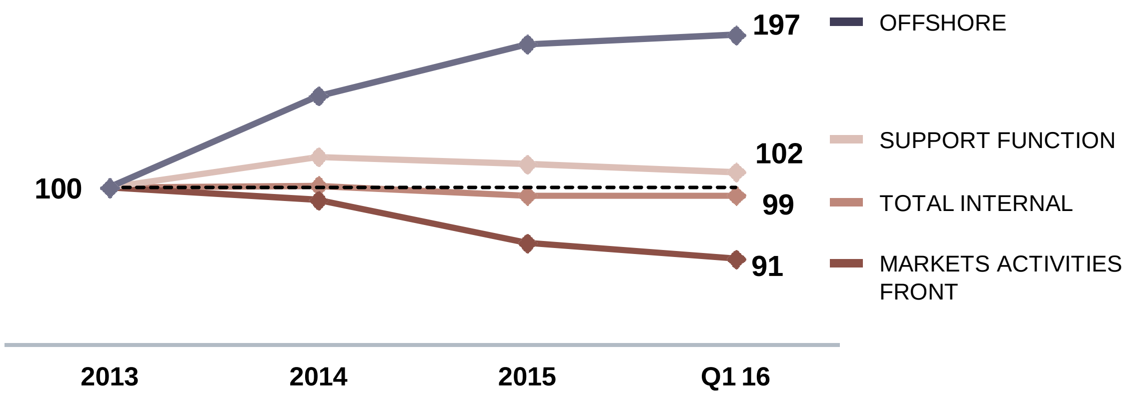
**Associated transformation costs of EUR 160m mainly in 2016**

- Selective investments in growth drivers
  - **Prime Brokerage post-Newedge integration**
  - **Acquisition of Kleinwort Benson**

**Operating Expenses (in EUR m)**




**Internal and offshore staff evolution (rebased 100 as of Dec. 2013)**

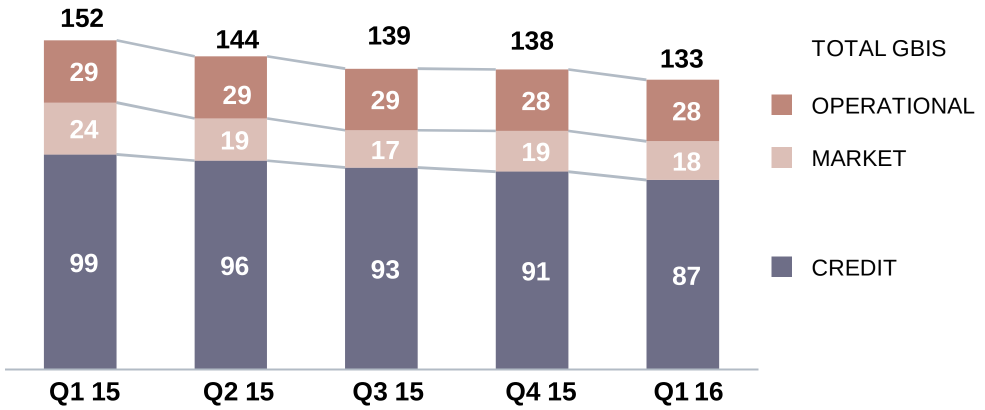


# RESILIENT CONTRIBUTION IN CHALLENGING MARKET CONDITIONS

- Net Banking Income down -9.5% vs. strong Q1 15 (up +7.5% vs. Q4 15)
- Operating Expenses down -1.9%(2) when adjusted for increase of contribution to resolution fund
- Risk Weighted Assets decreasing: -12.1% vs. Q1 15

Contribution to Group net income in Q1 16: EUR 454m
RONE adjusted for IFRIC 21 and Euribor refund: 10.1%

## Risk Weighted Assets (in EUR bn)




## Global Banking and Investor Solutions Results

| In EUR m | Q1 16 | Q1 15 | Change | |
|---|---|---|---|---|
| **Net banking income** | **2,357** | **2,604** | ***-9.5%*** | ***-9.4%**** |
| Operating expenses | (1,717) | (1,874) | *-8.4%* | *-8.0%** |
| **Gross operating income** | **640** | **730** | ***-12.3%*** | ***-13.1%**** |
| Net cost of risk | (140) | (50) | *x 2,8* | *x 3,0* |
| Operating income | 500 | 680 | *-26.5%* | *-27.6%** |
| **Reported Group net income** | **454** | **532** | ***-14.7%*** | ***-12.3%**** |
| **RONE** | **11.5%** | **14.3%** | | |
| Adjusted RONE (1) | 15.6% | 16.9% | | |
| Cost income ratio (1) | 63.3% | 66.6% | | |

* When adjusted for changes in Group structure and at constant exchange rates
(1) Adjusted for the impact of ¾ of IFRIC 21
(2) Excluding positive one off from Euribor fine refund

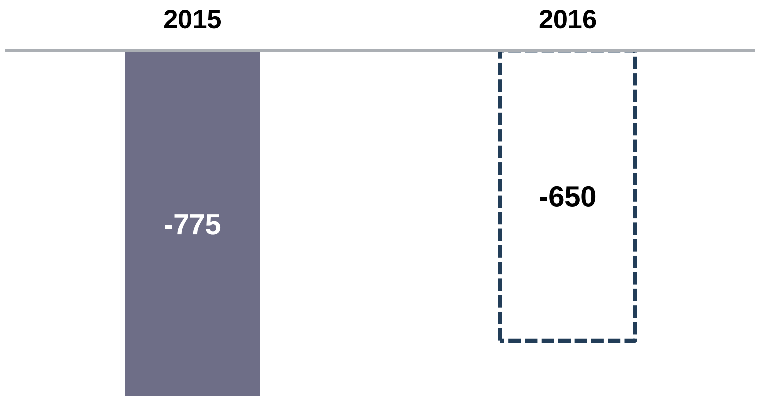
# CORPORATE CENTRE

- NBI impact from revaluation of own financial liabilities in Q1 16: EUR +145m
  - **Vs. EUR 62m in Q1 15**
- GOI[(1)]
  - **EUR -245m in Q1 16**
  - **EUR -192m in Q1 15**
  - **Revised end-2016 target: ~EUR -650m after normative capital allocation adjustment**

## Corporate Centre Results

| In EUR m | Q1 16 | Q1 15 |
|---|---|---|
| **Net banking income** | **(91)** | **(110)** |
| *Net banking income (1)* | *(236)* | *(172)* |
| Operating expenses | (9) | (20) |
| Gross operating income | (100) | (130) |
| *Gross operating income (1)* | *(245)* | *(192)* |
| Net cost of risk | 8 | 0 |
| Net profits or losses from other assets | 18 | 9 |
| **Reported Group net income** | **(158)** | **(91)** |
| *Group net income (1)* | *(253)* | *(132)* |

## Corporate Centre GOI[(1)]




* When adjusted for changes in Group structure and at constant exchange rates
(1) Excluding revaluation of own financial liabilities (refer to p. 30). 2015 figures adjusted to take into account the change (from 10% to 11%) of RWA charged for capital allocation

# Q1 16: BUILDING UPON OUR DIVERSIFIED AND INTEGRATED BUSINESS MODEL

- In Q1 16, the Group has demonstrated the quality and resilience of its business model
  - Stability of French Retail Banking, anchored on solid asset quality and investment in growth drivers and synergies
  - Confirmed growth potential of International Retail Banking and Financial Services
  - Proven resilience of Global Banking and Investor Solutions, despite an unstable market environment, thanks to model adaptation and strict monitoring of costs
  - Very solid balance sheet with capital and regulatory ratios in line with revised targets

**EPS[(1)] stable vs. Q1 15, at EUR 0.90**
**Net Tangible Asset Value per Share at EUR 56.46 vs. EUR 53.63 in Q1 15**

- In 2016, the strength of the diversified business model, additional efforts on costs and solid asset quality should sustain both commercial and financial performances

(1) Excluding revaluation of own financial liabilities and DVA (refer to page 30)

# KEY FIGURES

| In EUR m | Q1 16 | Change Q1 vs. Q4 | Change Q1 vs. Q1 |
|---|---|---|---|
| Net banking income | 6,175 | +2.0% | -2.8% |
| Operating expenses | (4,284) | -1.5% | -3.6% |
| Net cost of risk | (524) | -54.7% | -14.5% |
| Reported Group net income | 924 | +40.9% | +6.5% |
| ROE (after tax) | 7.1% | | |
| ROE* | 6.3% | | |

| | |
|---|---|
| Earnings per Share* | 0.90 |
| Net Tangible Asset value per Share (EUR) | 56.46 |
| Net Asset value per Share (EUR) | 62.13 |

| | |
|---|---|
| Common Equity Tier 1 Ratio** | 11.1% |
| Tier 1 Ratio | 13.7% |
| Total Capital Ratio | 16.4% |

* Excluding revaluation of own financial liabilities and DVA

** Fully loaded pro forma based on CRR/CRD4 rules, including Danish compromise for insurance . Refer to Methodology, section 5

# SOCIETE GENERALE GROUP RESULTS SUPPLEMENT

1st QUARTER 2016 RESULTS

4 MAY 2016

SOCIETE GENERALE

BUILDING TEAM SPIRIT TOGETHER

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# QUARTERLY INCOME STATEMENT BY CORE BUSINESS

| | French Retail Banking | | International Retail Banking and Financial Services | | Global Banking and Investor Solutions | | Corporate Centre | | Group | |
|---|---|---|---|---|---|---|---|---|---|---|
| **In EUR m** | **Q1 16** | Q1 15 | **Q1 16** | Q1 15 | **Q1 16** | Q1 15 | **Q1 16** | Q1 15 | **Q1 16** | Q1 15 |
| **Net banking income** | **2,084** | 2,064 | **1,825** | 1,795 | **2,357** | 2,604 | **(91)** | (110) | **6,175** | 6,353 |
| **Operating expenses** | **(1,425)** | (1,391) | **(1,133)** | (1,157) | **(1,717)** | (1,874) | **(9)** | (20) | **(4,284)** | (4,442) |
| **Gross operating income** | **659** | 673 | **692** | 638 | **640** | 730 | **(100)** | (130) | **1,891** | 1,911 |
| **Net cost of risk** | **(180)** | (230) | **(212)** | (333) | **(140)** | (50) | **8** | 0 | **(524)** | (613) |
| **Operating income** | **479** | 443 | **480** | 305 | **500** | 680 | **(92)** | (130) | **1,367** | 1,298 |
| **Net incomefrom companies accounted for by the equity method** | **12** | 15 | **11** | 14 | **10** | 37 | **2** | 2 | **35** | 68 |
| **Net profits or losses from other assets** | **(2)** | (17) | **0** | (25) | **(12)** | (1) | **18** | 9 | **4** | (34) |
| **Impairment losses on goodwill** | **0** | 0 | **0** | 0 | **0** | 0 | **0** | 0 | **0** | 0 |
| **Income tax** | **(161)** | (162) | **(130)** | (84) | **(40)** | (180) | **(53)** | 56 | **(384)** | (370) |
| **O.w. non controlling Interests** | **0** | 0 | **61** | 62 | **4** | 4 | **33** | 28 | **98** | 94 |
| **Group net income** | **328** | 279 | **300** | 148 | **454** | 532 | **(158)** | (91) | **924** | 868 |
| **Average allocated capital** | **10,435** | 10,678 | **10,494** | 10,298 | **15,780** | 14,904 | **9,160*** | 7,794* | **45,869** | 43,674 |
| **Group ROE (after tax)** | | | | | | | | | **7.1%** | 6.9% |

* Calculated as the difference between total Group capital and capital allocated to the core businesses

# QUARTERLY NON ECONOMIC AND OTHER IMPORTANT ITEMS

| In EUR m | Q1 16 | Net banking income | Operating expenses | Others | Cost of risk | Group net income | |
|---|---|---|---|---|---|---|---|
| **Revaluation of own financial liabilities*** | | 145 | 0 | | | 95 | Corporate Centre |
| **Accounting impact of DVA*** | | 0 | | | | 0 | Group |
| **Accounting impact of CVA**** | | (54) | | | | (39) | Group |
| **Euribor fine refund** | | | 218 | | | 218 | Global Banking and Investor Solutions |
| **IFRIC 21** | | 0 | (427) | | | (317) | Group |
| **PEL/CEL provision** | | (23) | | | | (15) | French Retail Banking |

| In EUR m | Q1 15 | Net banking income | Operating expenses | Others | Cost of risk | Group net income | |
|---|---|---|---|---|---|---|---|
| **Revaluation of own financial liabilities*** | | 62 | 0 | | | 41 | Corporate Centre |
| **Accounting impact of DVA*** | | (9) | 0 | | | (6) | Group |
| **Accounting impact of CVA**** | | 0 | 0 | | | 0 | Group |
| **IFRIC 21** | | | (289) | | | (179) | Group |
| **PEL/CEL provision** | | (109) | | | | (68) | French Retail Banking |

* Non economic items

** For information purposes. This data is not included in adjustments taken into account at Group level, notably to calculate underlying ROE

# IFRIC 21 AND SRF IMPACT

| In EUR M | French Retail Banking | | International Retail Banking and Financial Services | | Global Banking and Investor Solutions | | Corporate Centre | | Group | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Q1 16 | Q1 15 | Q1 16 | Q1 15 | Q1 16 | Q1 15 | Q1 16 | Q1 15 | Q1 16 | Q1 15 |
| Total IFRIC 21 Impact - NBI | | | | | | | | | | |
| Total IFRIC 21 Impact - costs | **-89** | **-62** | **-135** | **-101** | **-299** | **-188** | **-46** | **-35** | **-569** | **-386** |
| *o/w Resolution Funds* | *-38* | *-20* | *-40* | *-8* | *-197* | *-100* | *-2* | | *-277* | *-128* |

| In EUR M | International Retail Banking | | Financial Services to Corporates | | Insurance | | Other | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Q1 16 | Q1 15 | Q1 16 | Q1 15 | Q1 16 | Q1 15 | Q1 16 | Q1 15 | Q1 16 | Q1 15 |
| Total IFRIC 21 Impact - NBI | | | | | | | | | | |
| Total IFRIC 21 Impact - costs | **-95** | **-60** | **-9** | **-7** | **-27** | **-25** | **-4** | **-8** | **-135** | **-101** |
| *o/w Resolution Funds* | *-37* | | *-1* | | | | *-2* | *-8* | *-40* | *-8* |

| In EUR M | Western Europe | | Czech Republic | | Romania | | Russia | | Other Europe | | Africa, Asia, Mediterranean bassin and Overseas | | Total International Retail Banking | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Q1 16 | Q1 15 | Q1 16 | Q1 15 | Q1 16 | Q1 15 | Q1 16 | Q1 15 | Q1 16 | Q1 15 | Q1 16 | Q1 15 | Q1 16 | Q1 15 |
| Total IFRIC 21 Impact - NBI | | | | | | | | | | | | | | |
| Total IFRIC 21 Impact - costs | **-4** | **-5** | **-29** | **-4** | **-21** | **-22** | **-3** | **-5** | **-25** | **-16** | **-13** | **-7** | **-95** | **-60** |
| *o/w Resolution Funds* | *-1* | | *-25* | | *-5* | | | | *-6* | | | | *-37* | |

| In EUR M | Global Banking and Investor Services | | Financing and Advisory | | Asset and Wealth Management | | Total Global Banking and Investor Services | |
|---|---|---|---|---|---|---|---|---|
| | Q1 16 | Q1 15 | Q1 16 | Q1 15 | Q1 16 | Q1 15 | Q1 16 | Q1 15 |
| Total IFRIC 21 Impact - NBI | | | | | | | | |
| Total IFRIC 21 Impact - costs | **-224** | **-143** | **-64** | **-40** | **-11** | **-5** | **-299** | **-188** |
| *o/w Resolution Funds* | *-164* | *-85* | *-25* | *-13* | *-8* | *-2* | *-197* | *-100* |

# CRR/CRD4 PRUDENTIAL CAPITAL RATIOS

| In EUR bn | 31/03/2016 | 31/12/2015 |
|---|---|---|
| **Shareholder equity Group share** | **59.0** | **59.0** |
| Deeply subordinated notes* | **(8.8)** | (9.6) |
| Undated subordinated notes* | **(0.4)** | (0.4) |
| Dividend to be paid & interest on subordinated notes | **(2.2)** | (1.8) |
| Goodwill and intangible | **(6.0)** | (6.0) |
| Non controlling Interests | **2.5** | 2.5 |
| Deductions and regulatory adjustments | **(5.1)** | (5.0) |
| **Common Equity Tier 1 Capital** | **39.1** | **38.9** |
| Additional Tier 1 capital | **8.9** | 9.2 |
| **Tier 1 Capital** | **48.1** | 48.1 |
| Tier 2 capital | **9.6** | 10.0 |
| **Total capital (Tier 1 + Tier 2)** | **57.7** | 58.1 |
| **Total risk-weighted assets** | **351** | 357 |
| **Common Equity Tier 1 Ratio** | **11.1%** | **10.9%** |
| **Tier 1 Ratio** | **13.7%** | **13.5%** |
| **Total Capital Ratio** | **16.4%** | **16.3%** |

Ratios based on the CRR/CDR4 rules as published on 26th June 2013, including Danish compromise for insurance. See Methodology Section 5

* Excluding issue premiums on deeply subordinated notes and on undated subordinated notes

** Fully loaded deductions

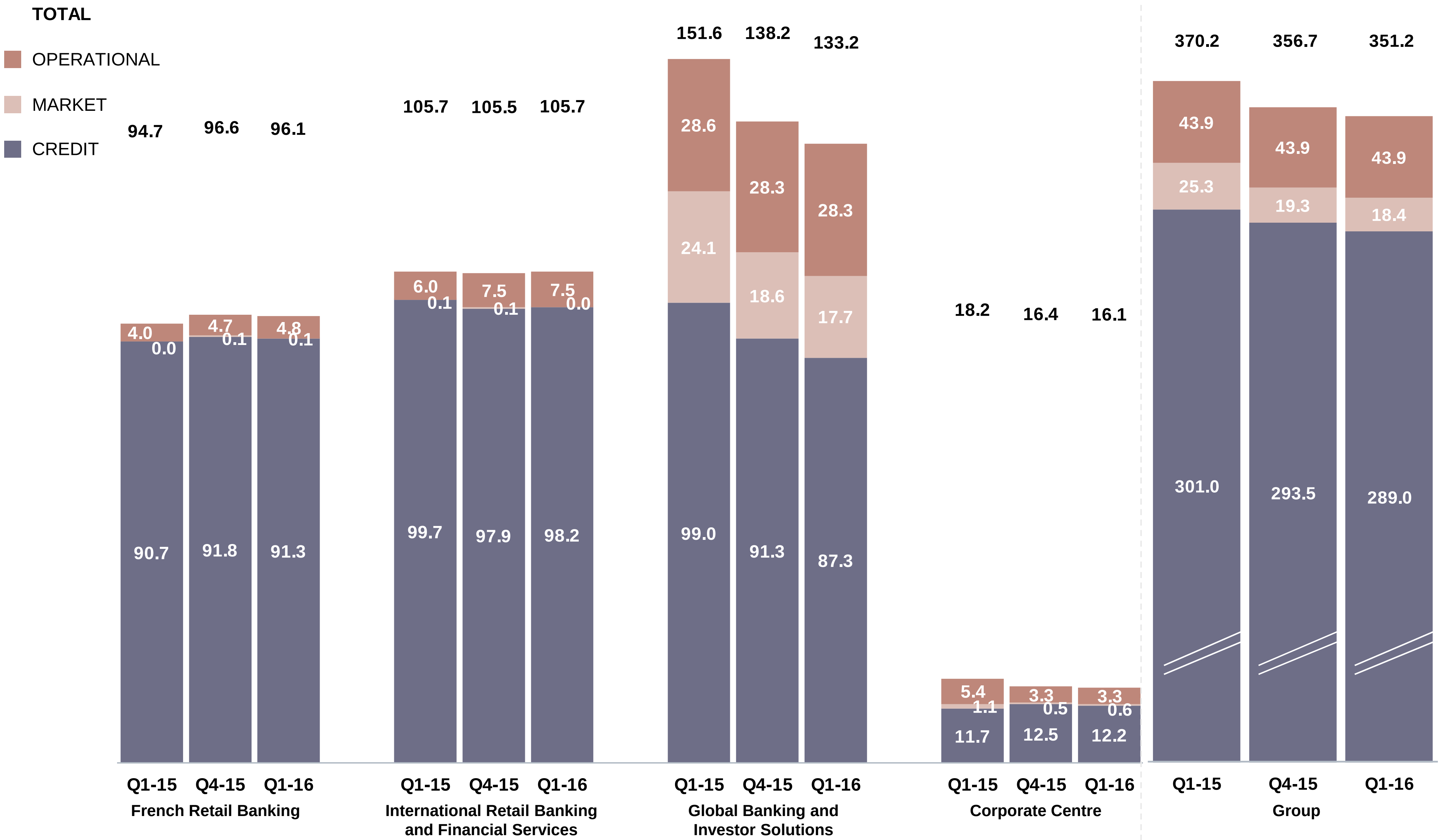
# CRR LEVERAGE RATIO

## CRR fully loaded leverage ratio[(1)]

| In EUR bn | 31/03/2016 | 31/12/2015 |
|---|---|---|
| **Tier 1 Capital** | **48.1** | **48.1** |
| Total prudential balance sheet(2) | **1,260** | 1,229 |
| Adjustement related to derivatives exposures | **(122)** | (90) |
| Adjustement related to securities financing transactions* | **(25)** | (25) |
| Off-balance sheet (loan and guarantee commitments) | **90** | 90 |
| Technical and prudential adjustments (Tier 1 capital prudential deductions) | **(10)** | (10) |
| **Leverage exposure** | **1,193** | **1,195** |
| CRR leverage ratio | **4.0%** | **4.0%** |

(1) Pro forma fully loaded based on CRR rules taking into account the leverage ratio delegated act adopted in October 2014 by the European Commission . See Methodology Section 5
(2) The prudential balance sheet corresponds to the IFRS balance sheet less entities accounted for through the equity method (mainly insurance subsidiaries)
* Securities financing transactions : repos, reverse repos, securities lending and borrowing and other similar transactions

# RISK-WEIGHTED ASSETS* (CRR/CRD 4, in EUR bn)

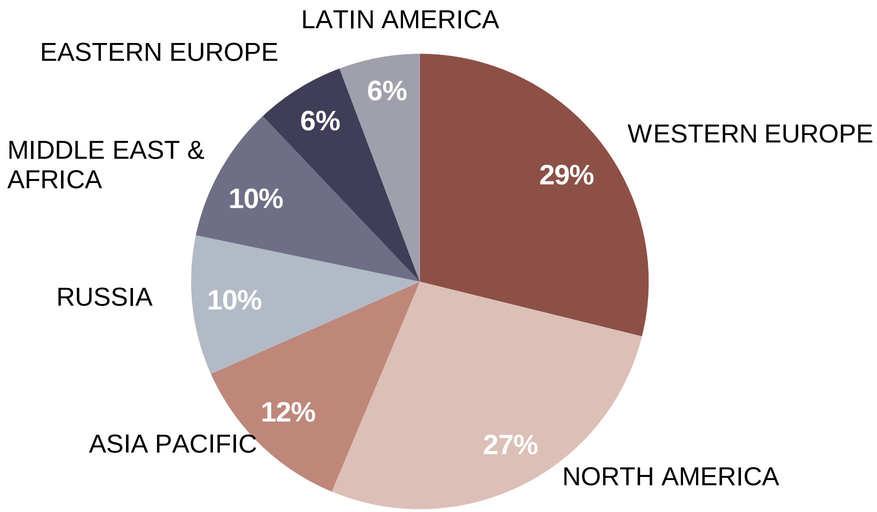


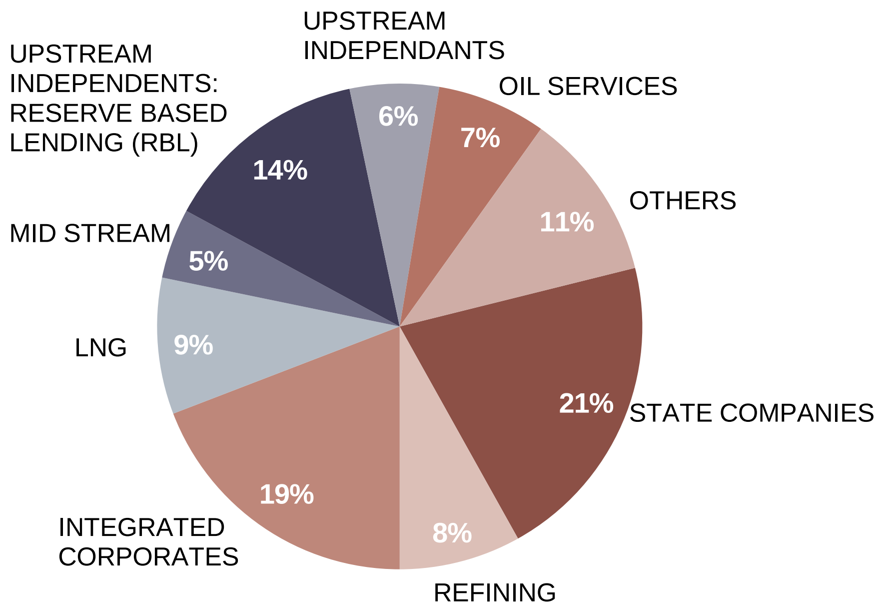

* Includes the entities reported under IFRS 5 until disposal

# DIVERSIFIED EXPOSURE TO OIL & GAS SECTOR

- Lending exposure to the oil and gas sector* at :
  - **EUR 21.4bn, 3% of Group EAD**
  - **57 % on balance-sheet**
- Sound credit portfolio
  - **2/3 investment grade**
  - **Junior loans less than 1% of EAD**
- Strong track-record in structuring and counterparty selection
  - **Limited exposure to Reserve Based Lending (0.4% of Group EAD) and Oil Services (0.2% of Group EAD)**
  - **Well diversified geographically**

**Breakdown of Oil & Gas Exposure**
**% of EAD at 31 Mar. 2016**

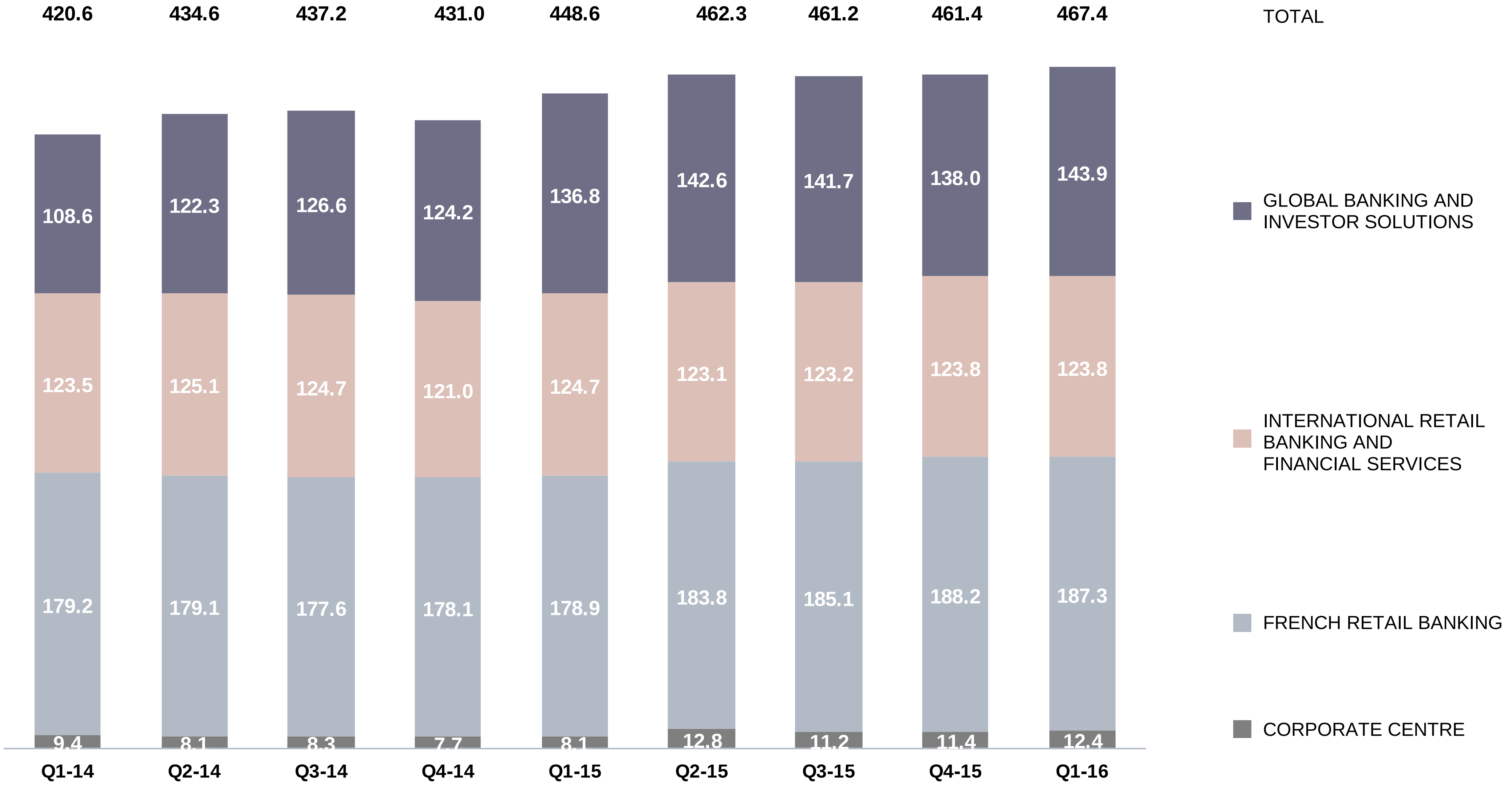



* Excluding traders

# CHANGE IN GROSS BOOK OUTSTANDINGS*

## End of period in EUR bn




* Customer loans; deposits and loans due from banks, leasing and lease assets
Excluding entities reported under IFRS 5

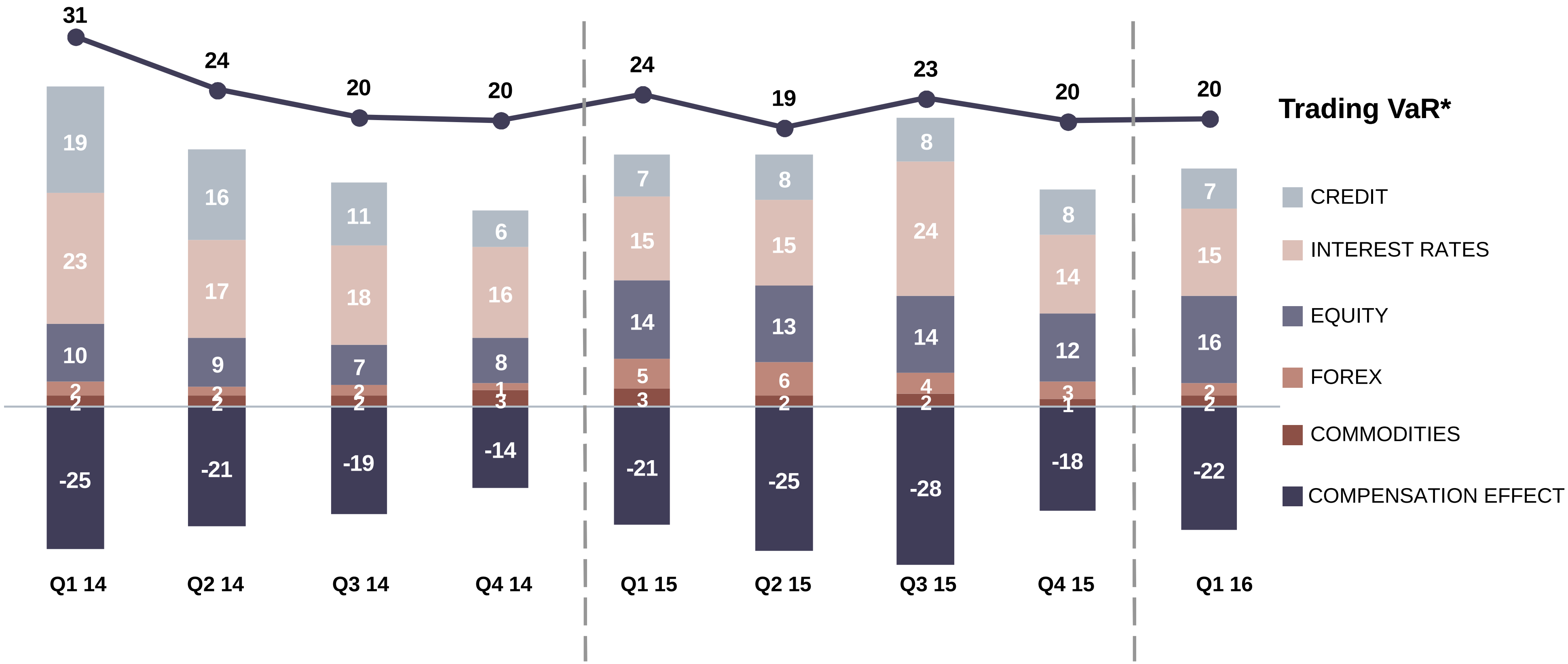
# DOUBTFUL LOANS

| *In EUR bn* | **31/03/2015** | **31/12/2015** | **31/03/2016** |
|---|---|---|---|
| Gross book outstandings* | 444.4 | 458.7 | 464.7 |
| Doubtful loans* | 24.5 | 23.3 | 23.4 |
| ***Gross non performing loans ratio**** | ***5.5%*** | ***5.1%*** | ***5.0%*** |
| Specific provisions* | 13.6 | 13.2 | 13.3 |
| Portfolio-based provisions* | 1.3 | 1.4 | 1.4 |
| ***Gross doubtful loans coverage ratio* (Overall provisions / Doubtful loans*** | ***61%*** | ***63%*** | ***63%*** |
| | | | |
| **Legacy assets gross book outstandings** | 4.2 | 2.7 | 2.7 |
| Doubtful loans | 2.4 | 1.3 | 1.3 |
| ***Gross non performing loans ratio*** | ***58%*** | ***50%*** | ***48%*** |
| Specific provisions | 2.1 | 1.2 | 1.1 |
| ***Gross doubtful loans coverage ratio*** | ***89%*** | ***87%*** | ***87%*** |
| | | | |
| ***Group gross non performing loans ratio*** | ***6.0%*** | ***5.3%*** | ***5.3%*** |
| ***Group gross doubtful loans coverage ratio*** | ***63%*** | ***64%*** | ***64%*** |

* Excluding legacy assets. Customer loans, deposits at banks and loans due from banks leasing and lease assets.

# CHANGE IN TRADING VAR* AND STRESSED VAR

## Quarterly average of 1-day, 99% Trading VaR* (in EUR m)



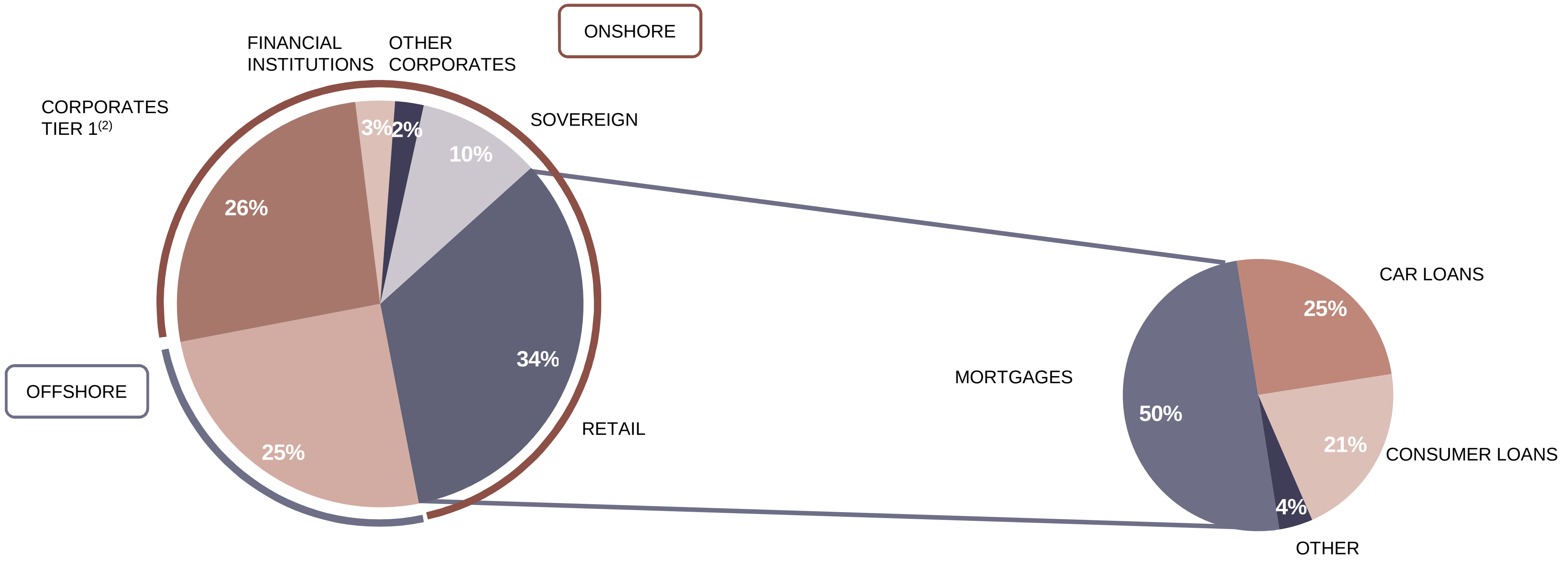

| Stressed VAR** (1 day, 99%, in EUR m) | Q1 15 | Q2 15 | Q3 15 | Q4 15 | Q1 16 |
|---|---|---|---|---|---|
| **Minimum** | 45 | 34 | 27 | 36 | 44 |
| **Maximum** | 82 | 56 | 59 | 62 | 60 |
| **Average** | 62 | 48 | 43 | 45 | 52 |

* Trading VaR: measurement over one year (i.e. 260 scenario) of the greatest risk obtained after elimination of 1% of the most unfavourable occurrences

** Stressed VaR : Identical approach to VaR (historical simulation with 1-day shocks and a 99% confidence interval), but over a fixed one-year historical window corresponding to a period of significant financial tension instead of a one-year rolling period

# DIVERSIFIED EXPOSURE TO RUSSIA

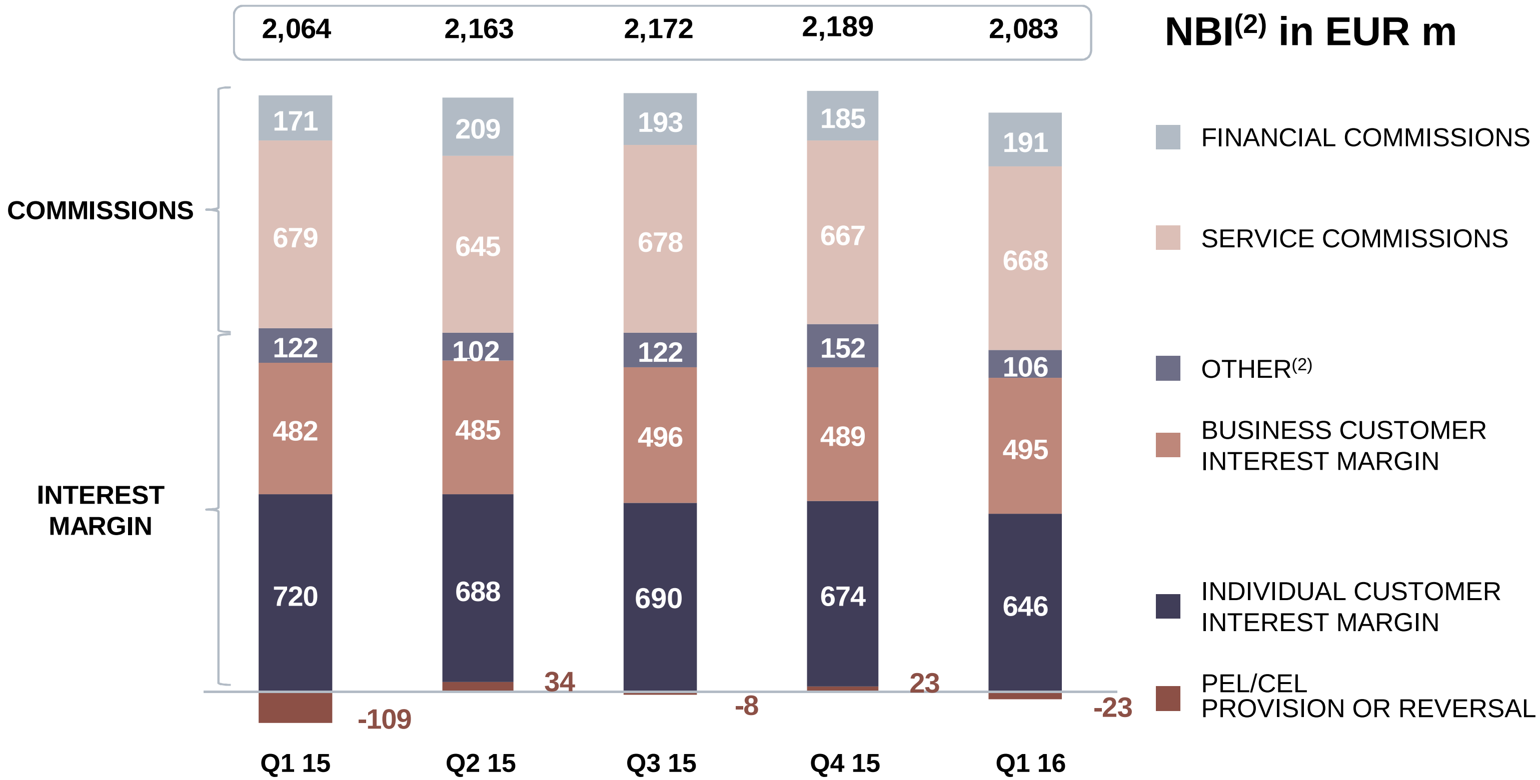
## EAD as of Q1 16: EUR 14.5bn(1)




(1) EAD net of provisions
(2) Top 500 Russian corporates and multinational corporates

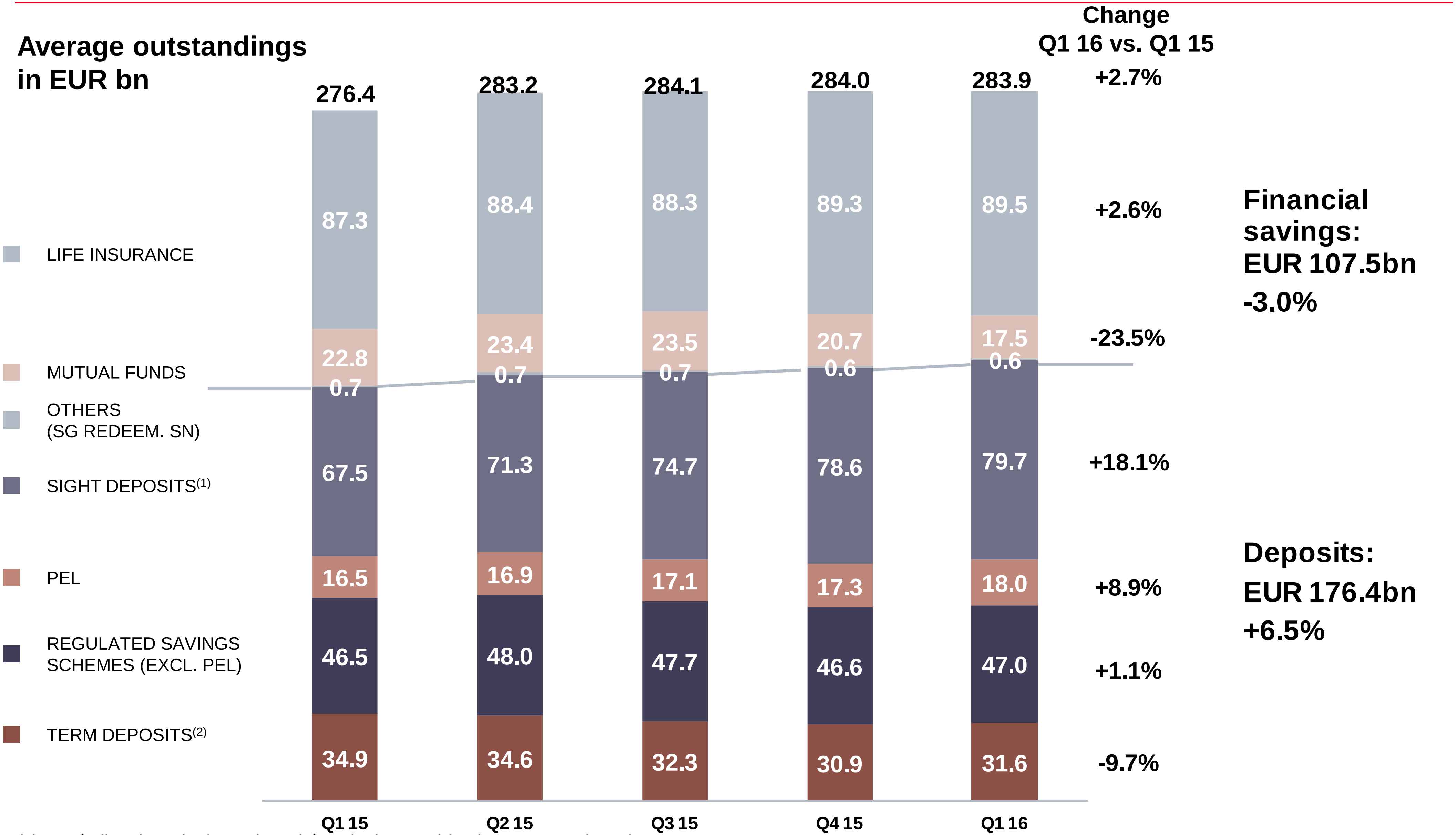
# CHANGE IN NET BANKING INCOME

- Interest margin[1]: -5.8% vs. Q1 15
  - **-4.4% excluding non recurring items**
- Commissions: +1.1% vs. Q1 15



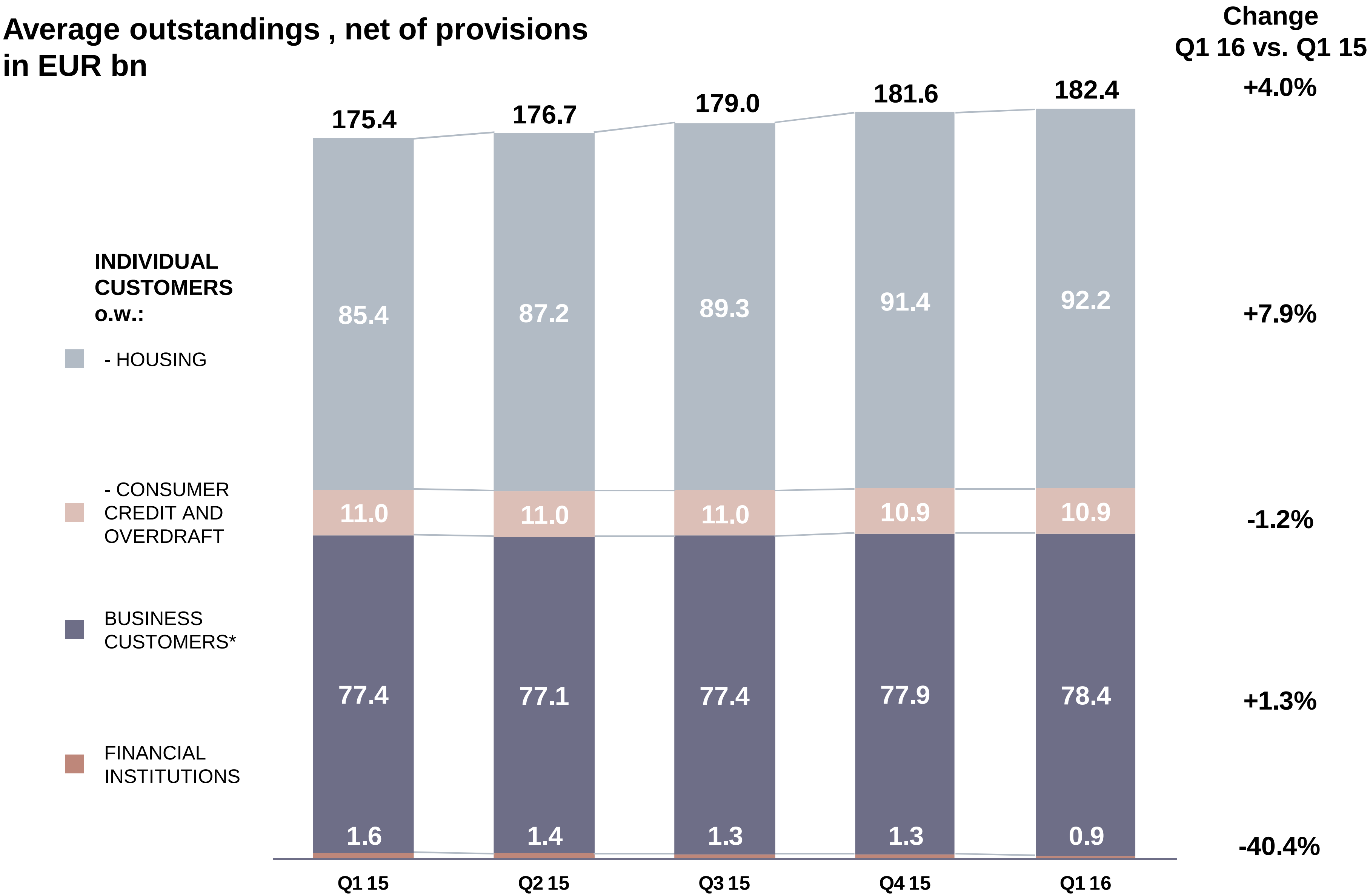

(1) Excluding PEL/CEL
(2) Including non recurring items in Q1 15 and Q2 15 – 2015 data have been restated following the decision to allocate normative capital to businesses at a level of 11% of RWA in 2016 (vs. 10% previously)

# CUSTOMER DEPOSITS AND FINANCIAL SAVINGS




(1) Including deposits from Financial Institutions and foreign currency deposits
(2) Including deposits from Financial Institutions and medium-term notes

# LOAN OUTSTANDINGS




* SMEs, self-employed professionals, local authorities, corporates, NPOs
Including foreign currency loans

# QUARTERLY RESULTS

| In EUR m | International Retail Banking | | | Insurance | | | Financial Services to corporates | | | Other | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Q1 16 | Q1 15 | Change | Q1 16 | Q1 15 | Change | Q1 16 | Q1 15 | Change | Q1 16 | Q1 15 | Q1 16 | Q1 15 | Change |
| Net banking income | 1,218 | 1,172 | +6.7%* | 220 | 205 | +7.8%* | 385 | 366 | +6.9%* | 2 | 52 | 1,825 | 1,795 | +5.4%* |
| Operating expenses | (804) | (798) | +5.2%* | (105) | (102) | +2.9%* | (202) | (192) | +6.3%* | (22) | (65) | (1,133) | (1,157) | +2.1%* |
| Gross operating income | 414 | 374 | +9.8%* | 115 | 103 | +12.7%* | 183 | 174 | +7.6%* | (20) | (13) | 692 | 638 | +11.4%* |
| Net cost of risk | (184) | (260) | -24.9%* | 0 | 0 | n/s | (10) | (25) | -58.3%* | (18) | (48) | (212) | (333) | -30.7%* |
| Operating income | 230 | 114 | +74.2%* | 115 | 103 | +12.7%* | 173 | 149 | +18.5%* | (38) | (61) | 480 | 305 | +51.9%* |
| Net profits or losses from other assets | 0 | 0 | n/s | 0 | 0 | n/s | 0 | 0 | n/s | 0 | (25) | 0 | (25) | +100.0%* |
| Impairment losses on goodwill | 0 | 0 | n/s | 0 | 0 | n/s | 0 | 0 | n/s | 0 | 0 | 0 | 0 | n/s |
| Income tax | (55) | (26) | +83.3%* | (37) | (33) | +12.1%* | (51) | (48) | +8.5%* | 13 | 23 | (130) | (84) | +50.6%* |
| Group net income | 122 | 34 | x 2.6 | 78 | 70 | +13.0%* | 128 | 110 | +18.5%* | (28) | (66) | 300 | 148 | +83.0%* |
| C/I ratio | 66% | 68% | | 48% | 50% | | 52% | 52% | | | | 62% | 64% | |
| Average allocated capital | 6,255 | 6,030 | | 1,702 | 1,640 | | 2,397 | 2,192 | | 140 | 436 | 10,494 | 10,298 | |

* When adjusted for changes in Group structure and at constant exchange rates

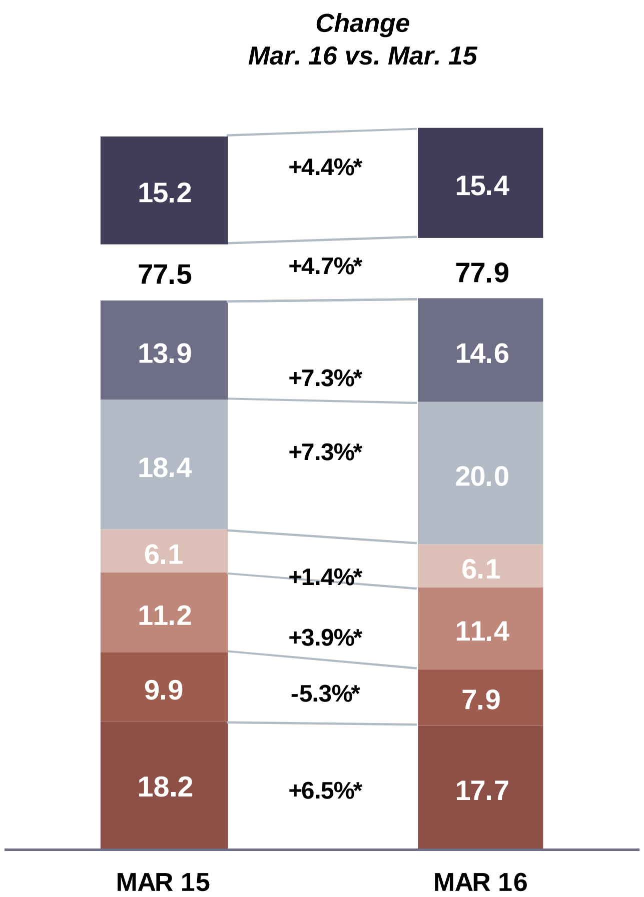
# QUARTERLY RESULTS OF INTERNATIONAL RETAIL BANKING: BREAKDOWN BY ZONE

| | Western Europe | | Czech Republic | | Romania | | Other Europe | | Russia (1) | | Africa and others | | Total International retail Banking | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| In M EUR | Q1 16 | Q1 15 | Q1 16 | Q1 15 | Q1 16 | Q1 15 | Q1 16 | Q1 15 | Q1 16 | Q1 15 | Q1 16 | Q1 15 | Q1 16 | Q1 15 |
| **Net banking income** | **167** | 161 | **257** | 252 | **128** | 128 | **179** | 172 | **138** | 117 | **349** | 342 | **1,218** | 1,172 |
| Change * | **+3.7%*** | | **+0.0%*** | | **+0.8%*** | | **+5.9%*** | | **+48.4%*** | | **+4.5%*** | | **+6.7%*** | |
| **Operating expenses** | **(93)** | (91) | **(153)** | (133) | **(98)** | (101) | **(134)** | (128) | **(116)** | (145) | **(210)** | (200) | **(804)** | (798) |
| Change * | **+2.2%*** | | **+12.5%*** | | **-2.0%*** | | **+7.2%*** | | **-0.9%*** | | **+7.7%*** | | **+5.2%*** | |
| **Gross operating income** | **74** | **70** | **104** | **119** | **30** | **27** | **45** | **44** | **22** | **(28)** | **139** | **142** | **414** | **374** |
| Change * | **+5.7%*** | | **-14.0%*** | | **+11.1%*** | | **+2.3%*** | | **+33.3%*** | | **+0.0%*** | | **+9.8%*** | |
| **Net cost of risk** | **(30)** | (39) | **(18)** | (4) | **(25)** | (26) | **(12)** | (21) | **(58)** | (111) | **(41)** | (59) | **(184)** | (260) |
| Change * | **-23.1%*** | | **x 4.5** | | **-3.8%*** | | **-40.0%*** | | **-40.2%*** | | **-30.5%*** | | **-24.9%*** | |
| **Operating income** | **44** | **31** | **86** | **115** | **5** | **1** | **33** | **23** | **(36)** | **(139)** | **98** | **83** | **230** | **114** |
| Change * | **+41.9%*** | | **-26.5%*** | | **x 5.0** | | **+37.5%*** | | **+70.2%*** | | **+22.5%*** | | **+74.2%*** | |
| **Net profits or losses from other assets** | **0** | 0 | **0** | 0 | **0** | 0 | **0** | 0 | **0** | 1 | **0** | (1) | **0** | 0 |
| **Impairment losses on goodwill** | **0** | 0 | **0** | 0 | **0** | 0 | **0** | 0 | **0** | 0 | **0** | 0 | **0** | 0 |
| **Income tax** | **(11)** | (7) | **(20)** | (26) | **(1)** | 0 | **(8)** | (5) | **9** | 32 | **(24)** | (20) | **(55)** | (26) |
| **Group net income** | **31** | **23** | **40** | **54** | **2** | **1** | **24** | **17** | **(27)** | **(106)** | **52** | **45** | **122** | **34** |
| Change * | **+34.8%*** | | **-25.9%*** | | **+100.0%*** | | **+33.3%*** | | **+70.7%*** | | **+20.9%*** | | **x 2,6** | |
| **C/I ratio** | **56%** | 57% | **60%** | 53% | **77%** | 79% | **75%** | 74% | **84%** | 124% | **60%** | 58% | **66%** | 68% |
| **Average allocated capital** | **1,117** | 1,069 | **885** | 726 | **425** | 420 | **1,201** | 1,147 | **1,078** | 1,277 | **1,549** | 1,391 | **6,255** | 6,030 |

* When adjusted for changes in Group structure and at constant exchange rates
(1) Russia structure includes Rosbank, Delta Credit, Rusfinance and their consolidated subsidiaries in International Retail Banking

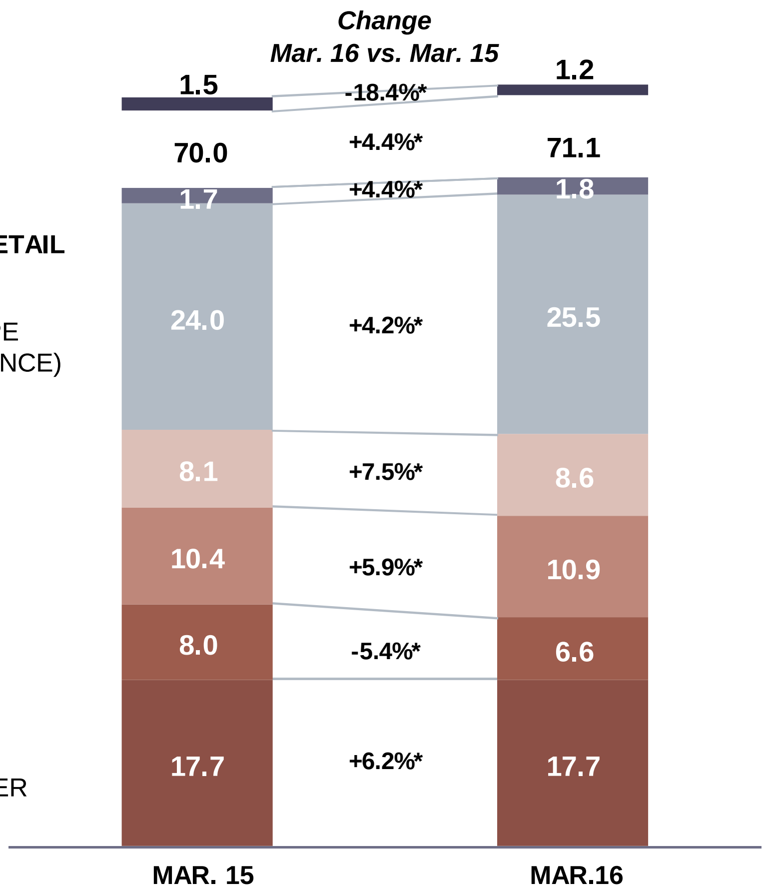
# LOAN AND DEPOSIT OUTSTANDINGS BREAKDOWN

## Loan outstandings breakdown (in EUR bn)






## Deposit outstandings breakdown (in EUR bn)

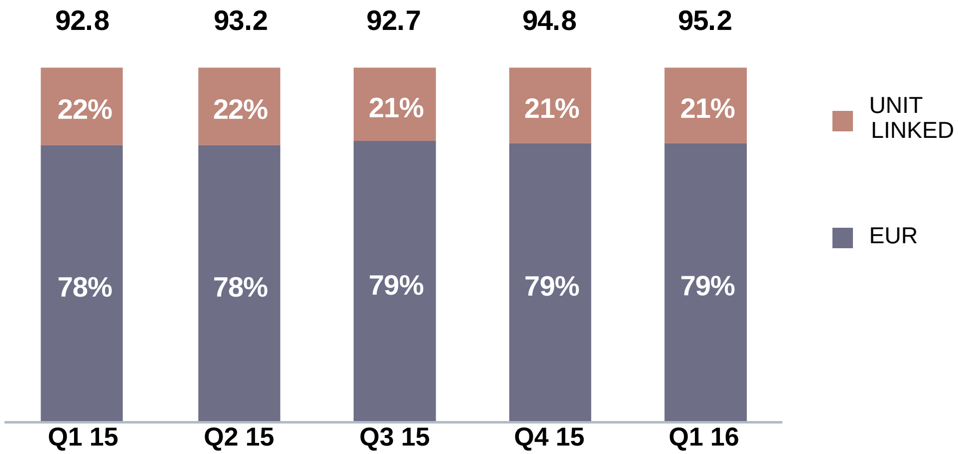



* When adjusted for changes in Group structure and at constant exchange rates

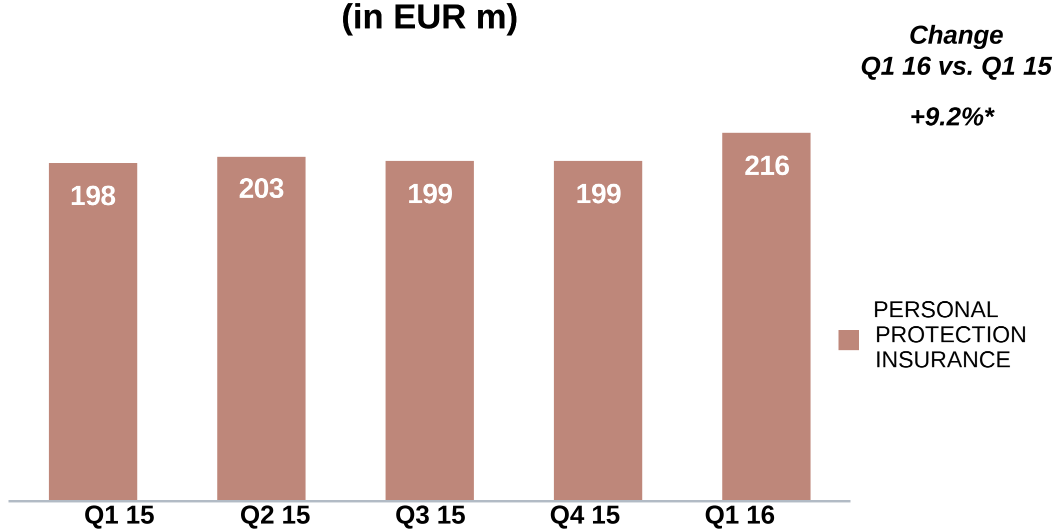
(1) Excluding factoring

# INSURANCE KEY FIGURES

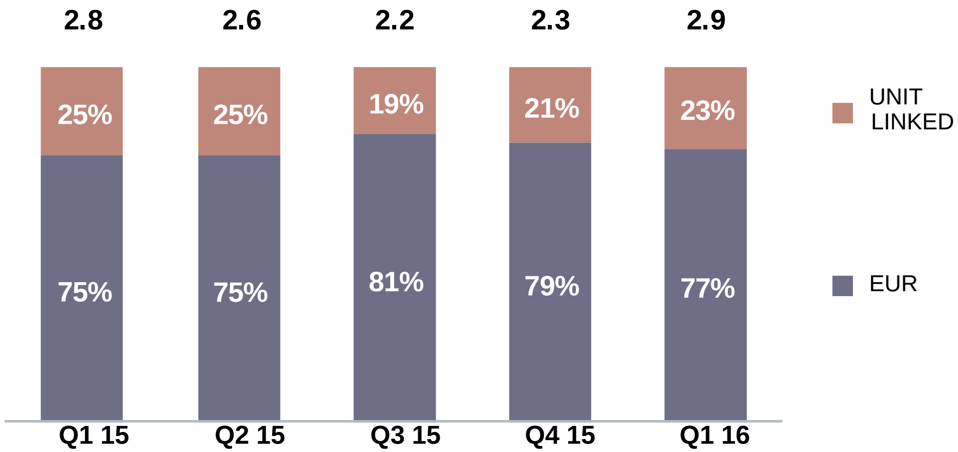
## Life insurance outstandings and unit linked breakdown (in EUR bn)



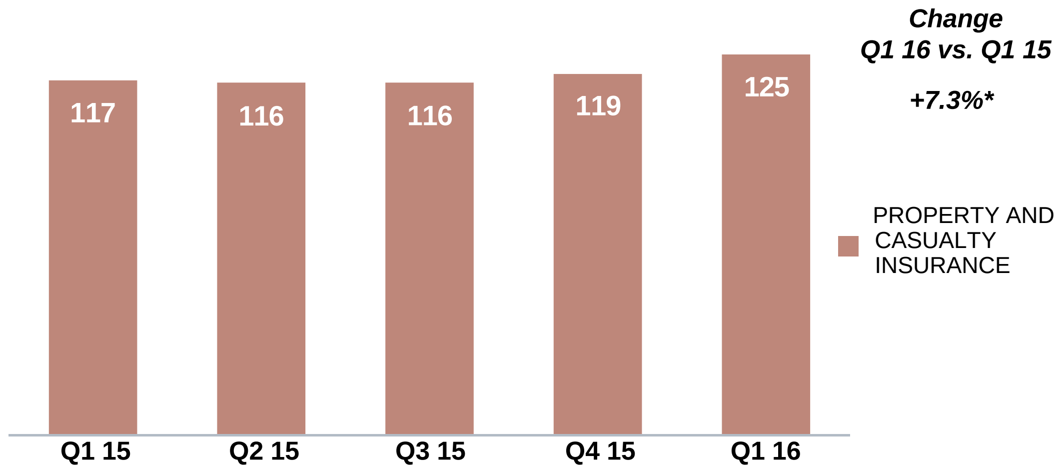

## Personal protection insurance premiums (in EUR m)




## Life insurance gross inflows (in EUR bn)




## Property and casualty insurance premiums (in EUR m)



# SG RUSSIA[(1)]

## SG Russia results

| In EUR m | Q1 16 | Q1 15 | Change |
|---|---|---|---|
| Net banking income | 158 | 148 | +31.2%* |
| Operating expenses | (122) | (152) | -0.8%* |
| **Gross operating income** | **36** | **(4)** | **n/s** |
| Net cost of risk | (58) | (111) | -39.3%* |
| **Operating income** | **(22)** | **(115)** | **n/s** |
| Impairment losses on goodwill | 0 | 0 | +0.0%* |
| **Group net income** | **(18)** | **(89)** | **n/s** |
| C/I ratio | 77% | 102% | |

## SG commitments to Russia

| In EUR bn | Q1 16 | Q4 15 | Q4 14 | Q4 13 |
|---|---|---|---|---|
| Book value | 2.5 | 2.4 | 2.7 | 3.5 |
| Intragroup Funding | | | | |
| - *Sub. Loan* | 0.7 | 0.7 | 0.7 | 0.7 |
| - *Senior* | 0.0 | 0.0 | 0.7 | 1.3 |

**NB. The Rosbank Group book value amounts to EUR 2.5 bn at end Q1 16, of which EUR -0.9 bn relating to the revaluation of forex exposure already deducted from Group Equity as *Unrealised or deferred gains and losses.***

* When adjusted for changes in Group structure and at constant exchange rates

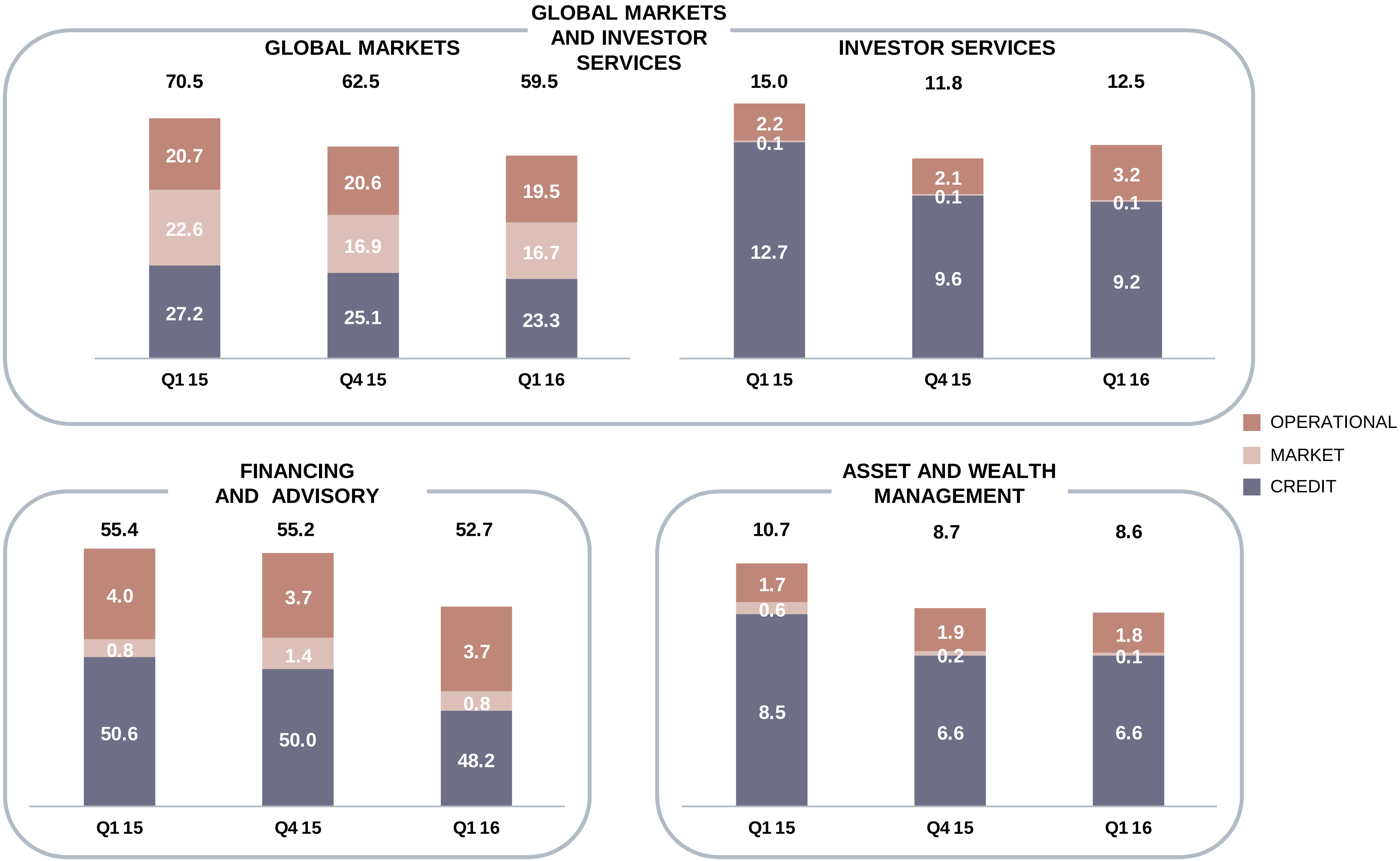
(1) Contribution of Rosbank, Delta Credit Bank, Rusfinance Bank, Societe Generale Insurance, ALD Automotive, and their consolidated subsidiaries to Group businesses results

# QUARTERLY RESULTS

| | Global Markets and Investor Services | | | Financing and Advisory | | | Asset and Wealth Management | | | Total Global Banking and Investor Solutions | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| In M EUR | Q1-16 | Q1-15 | Change | Q1-16 | Q1-15 | Change | Q1-16 | Q1-15 | Change | Q1-16 | Q1-15 | Change | |
| Net banking income | 1,549 | 1,778 | -12.8%* | 572 | 527 | +8.2%* | 236 | 299 | -20.5%* | 2,357 | 2,604 | -9.5% | -9.4%* |
| Operating expenses | (1,092) | (1,295) | -15.5%* | (404) | (367) | +11.0%* | (221) | (212) | +5.2%* | (1,717) | (1,874) | -8.4% | -8.0%* |
| Gross operating income | 457 | 483 | -5.6%* | 168 | 160 | +1.9%* | 15 | 87 | -82.8%* | 640 | 730 | -12.3% | -13.1%* |
| Net cost of risk | (3) | (5) | -40.0%* | (138) | (30) | x 5,1 | 1 | (15) | n/s | (140) | (50) | x 2.8 | x 3.0* |
| Operating income | 454 | 478 | -5.2%* | 30 | 130 | -80.6%* | 16 | 72 | -77.8%* | 500 | 680 | -26.5% | -27.6%* |
| Net profits or losses from other assets | 0 | (1) | | (12) | 0 | | 0 | 0 | | (12) | (1) | | |
| Net incomefrom companies accounted for by the equity method | 2 | 1 | | 0 | 9 | | 8 | 27 | | 10 | 37 | | |
| Impairment losses on goodwill | 0 | 0 | | 0 | 0 | | 0 | 0 | | 0 | 0 | | |
| Income tax | (45) | (135) | | 10 | (24) | | (5) | (21) | | (40) | (180) | | |
| Net income | 411 | 343 | | 28 | 115 | | 19 | 78 | | 458 | 536 | | |
| O.w. non controlling Interests | 3 | 3 | | 1 | 0 | | 0 | 1 | | 4 | 4 | | |
| Group net income | 408 | 340 | +19.6%* | 27 | 115 | -79.7%* | 19 | 77 | -65.5%* | 454 | 532 | -14.7% | -12.3%* |
| Average allocated capital | 8,929 | 8,781 | | 5,887 | 5,039 | | 964 | 1,084 | | 15,780 | 14,904 | | |
| C/I ratio | 70% | 73% | | 71% | 70% | | 94% | 71% | | 73% | 72% | | |

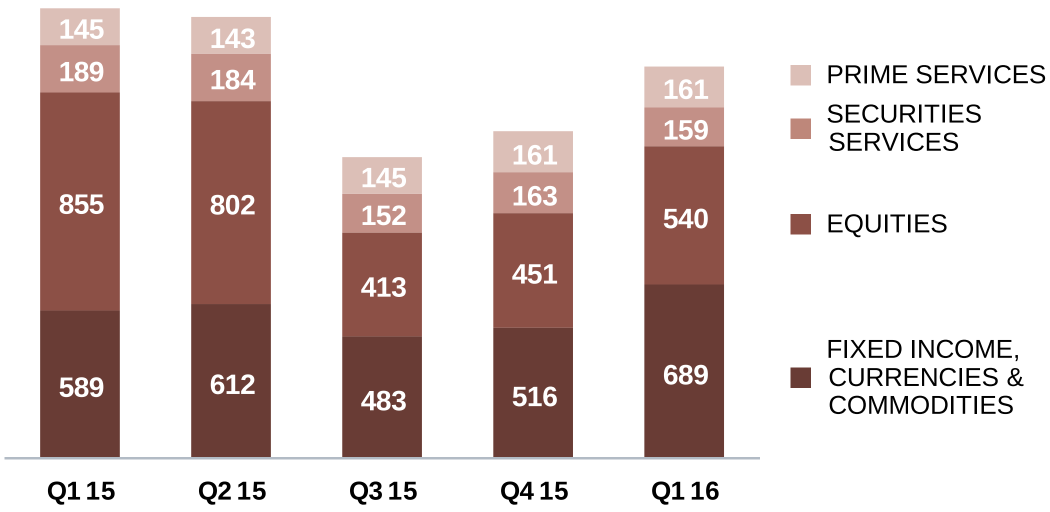
* When adjusted for changes in Group structure and at constant exchange rates

# RISK-WEIGHTED ASSETS IN EUR BN

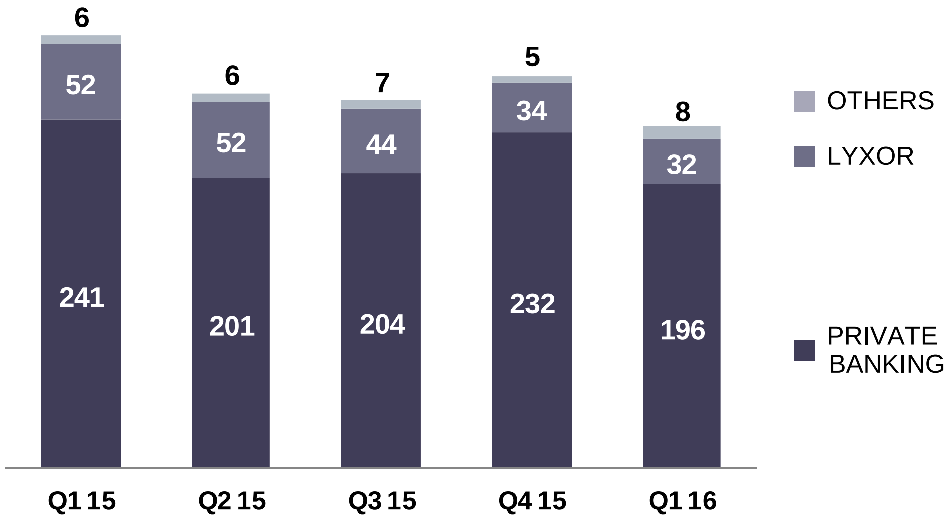


# REVENUES

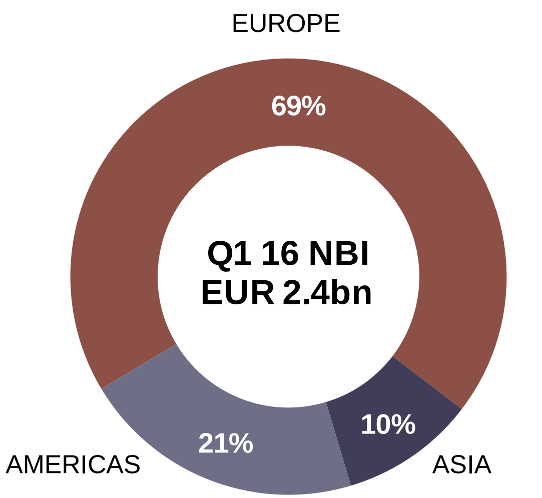
## Global Markets and Investor Services revenues (in EUR m)




## Asset and Wealth Management revenues (in EUR m)

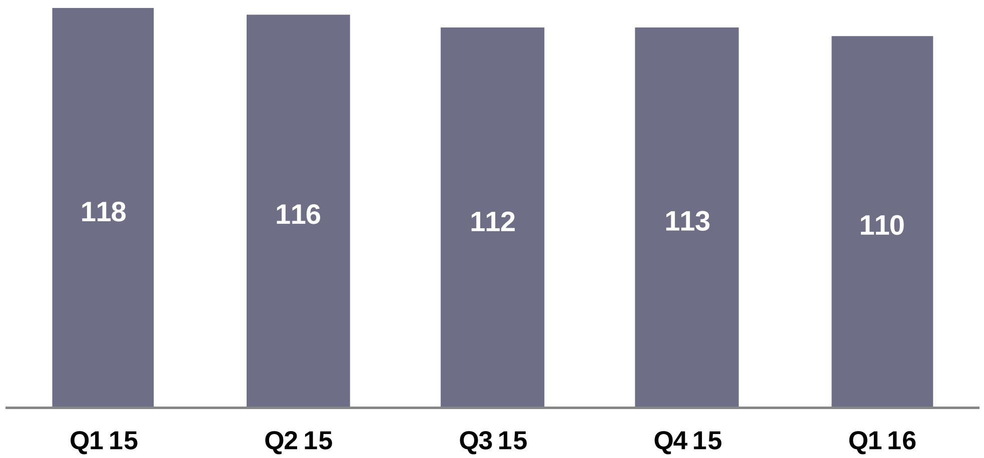



## Revenues split by zone (in %)

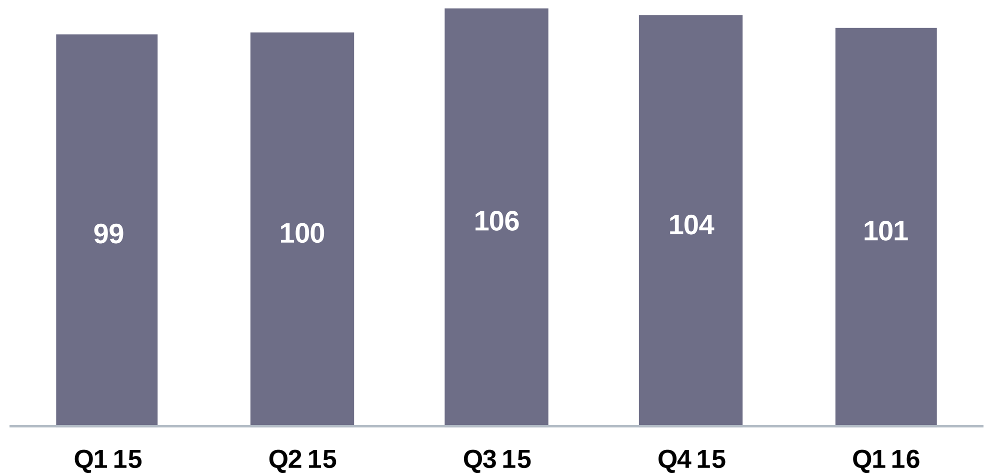


# KEY FIGURES

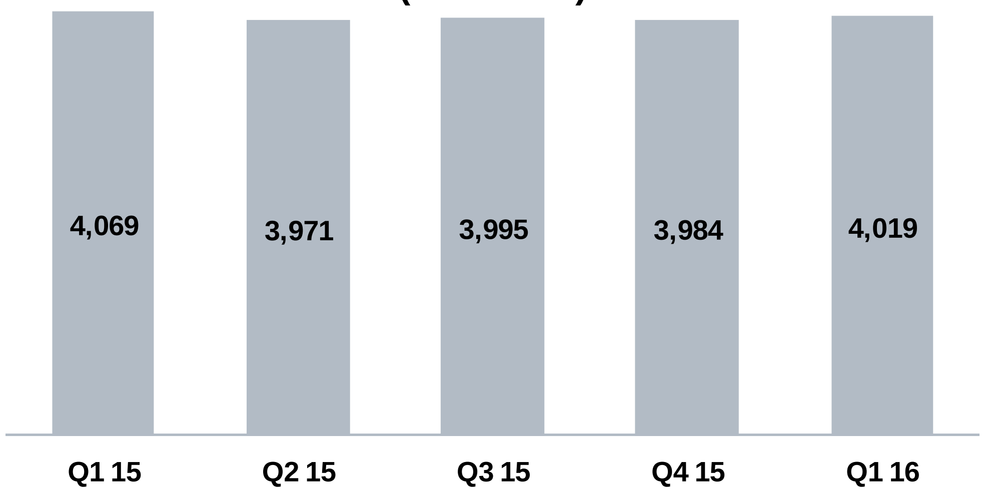
## Private Banking: Assets under management(1)
**(in EUR bn)**



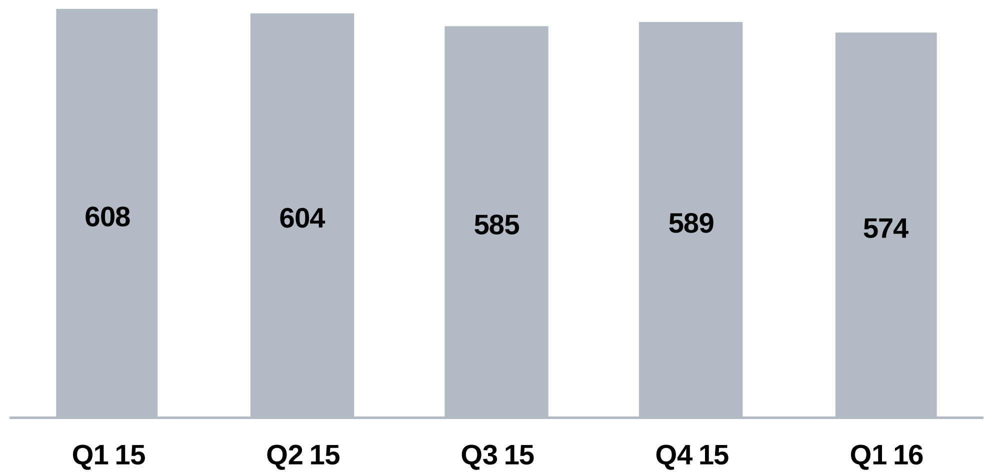

## Lyxor: Assets under management(2)
**(in EUR bn)**




## Securities Services: Assets under custody
**(in EUR bn)**




## Securities Services: Assets under administration
**(in EUR bn)**




(1) Including New Private Banking set-up in France as from 1st Jan. 2014
(2) Including SG Fortune

# CVA/DVA IMPACT

| NBI impact | Q1 15 | Q2 15 | Q3 15 | Q4 15 | Q1 16 |
|---|---|---|---|---|---|
| Equities | 8 | (6) | (32) | 14 | (12) |
| Fixed income,credit,currencies,comı | (5) | 34 | (31) | (4) | (8) |
| Financing and Advisory | (9) | 22 | (23) | 8 | 0 |
| **Total** | **(6)** | **50** | **(86)** | **18** | **(20)** |

# AWARDS

## Financing and Advisory

IFR

**DCM** - League Table
#3 All Euro Bonds
#3 All Euro Corporate Bonds
#1 All EMEA Euro Corporate Bonds
#2 All French Euro Bonds
#1 All French Euro Corporate Bonds
#1 All French Financial Euro Bonds
#2 All Euro Bonds for Financial Institutions
#4 All Euro Covered Bonds
#6 All Euro Sovereign Bonds
**Loans** - League Table
#3 France Bookrunner
**ECM** – League Table
# 2 France
# 7 Worldwide Euro denominated
#13 EMEA Convertibles

GlobalCapital

**DCM** - League Table
#5 All Euro Bonds
#4 All Euro Corporate Bonds
#3 All EMEA Corporate Bonds
#5 All Euro Bonds for Financial Institutions
#5 All Euro Covered Bonds

MERGERMARKET

**M&A**
#2 Africa and Middle East
#11 United Kingdom

THOMSON REUTERS

**M&A**
#10 Germany
#10 United Kingdom

GlobalCapital Awards 2015

-Best Arranger of Trade Finance Loans
-Best Arranger of EuroPP
-Deals Of the Year

Global Finance – Best Investment Bank Award 2016

-Best Investment Bank in Frontier Markets
-Most Innovative Investment Bank in Western Europe
-Best Debt Bank in CEE
-Best Investment Bank in France

## Asset and Wealth Management

SRP Awards 2016

- Best ETF House : Lyxor

The Hedge Fund Journal Awards 2016

-The Leading UCITS Hedge Fund Platform

## Global Markets and Investor Services

Global Finance – Best Treasury and Cash Management Provider Award 2016

- Best Bank for Liquidity Management in Western Europe
-Best Bank for Financial Risk Management in Western Europe
-Best Overall Bank for Cash Management in CEE
-Best Bank for Financial Risk Management in CEE

Global Finance – Best Investment Bank Award 2016

-Best Bank for Equity Derivatives
-Best Bank for Interest-Rate Derivatives
-Best Bank for Interest-Rate Derivatives in Western Europe
-Best Bank for Equity Derivatives in Western Europe & Asia-Pacific

The Hedge Fund Journal Awards 2016

-Best Global Multi-Asset Prime Brokerage

Risk Awards 2016

-Structured Products House of the Year
- Deal of the Year

CTA Intelligence US CTA Services Awards 2016

- Best FCM Overall
- Best Capital Introduction Service

EnergyRisk Commodity Rankings 2016

#1 Overall Dealer
#1 Base Metals Dealer/Broker
#1 Energy Dealer
#1 Oil & Products Dealer
#1 Soft Commodities
#1 Research

SRP Awards 2016

- Best House, Europe
- Best House, Equities
- Best House, Foreign Exchange
- Best House, Warrants
- Best House, Middle East
- Best Structured Product Deal

global investor isf

-#1 Sub-Custodian (Unweighted) in France, Croatia, Czech Republic, Serbia, Romania, Russia, Slovenia, Tunisia
-#1 Sub-Custodian (Weighted) in France and Tunisia

# LANDMARK TRANSACTIONS IN Q1 16

Technip
**Non-Dilutive Convertible Bonds**

EUR 375,000,000

Joint Bookrunner & Hedge Provider

FRANCE JAN-2016

Societe Generale acted as Joint Bookrunner and Hedge Provider for the €375m Technip Non-Dilutive Convertible Bonds due 2021. The company chose a smart alternative to the bond market using the increasingly popular non-dilutive convertible structure. Despite increasingly difficult market conjuncture, the deal enjoyed good momentum with books covered within 90 minutes. As Best EMEA Equity Linked House (IFR) and ranked #5 in EMEA in 2015, SG CIB continues to be a reference in the Equity-linked market.

Telenet
**Acquisition Finance**

EUR 1,000,000,000

Mandated Lead Arranger & Underwriter

UK FEB-2016

Societe Generale acted as Underwriter and Mandated Lead Arranger on the €1000m senior loan package financing the acquisition of BASE, the Belgian mobile network operator, by Telenet, the leading Cable and broadband provider in Belgium. KPN N.V. the Dutch telecom incumbent, launched the disposal of BASE in Q1 2015. BASE is the 3rd largest mobile provider in Belgium, by number of subscribers, with a 23% share. Liberty Global is the largest cable operator outside of the US with operations in 14 countries. The Group owns 56.6% of Telenet Group Holding N.V. This landmark transaction enables Telenet to combine its cable services with mobile services to provide a converged solution to customers.

Anheuser-Busch InBev
**Senior Unsecured**

USD 46,000,000,000

Jumbo Deal (8 tranches)

EUR 13,250,000,000

Bookrunner & Jumbo Deal (6tranches)

BELGIUM JAN-2016

Anheuser-Busch InBev (« ABInBev »), the leading global brewer by volume, issued $46bn on 13 January 2016 on the USD bond market and €13.25bn on 16 March 2016 on the Euro bond market.
These transactions represent respectively the second largest corporate bond deal in dollar of all time and the largest bond deal in Euro of all time. Societe Generale acted as Bookrunner on both transactions on which proceeds will be applied for the realization of the strategy of Anheuser-Busch InBev, including to fund a portion of the purchase price for the acquisition of SABMiller plc. Both transactions were a great success with more than $106bn of interests and €31bn in the Dollar and the Euro order books respectively, allowing for an impressive tightening of spreads. These two historic transactions confirm SG CIB positioning as a leading global player in DCM.

New Cairo Capital / EEHC
Euler Hermes Buyer Credit

EUR 1,190,000,000

Mandated Lead Arranger

EGYPT MAR-2016

Societe Generale acted as a mandated lead arranger in the financing of three new 4.800 MW combined cycle power plants (CCPP) built for Egyptian Electricity Holding Company (EEHC) by a consortium including Siemens Germany. The financing of these three projects was made under the full guarantee of the Ministry of Finance of Egypt and included three Euler Hermes buyer credits for a total amount of EUR 3.53bn. The first financing was signed on November 23rd 2015 for the Beni Suef CCPP and on March 9th 2016 for Burullus and New Cairo Capital CCPPs. The production of these three CCPPs should start in summer 2017 and will increase the power generation capacity of the Arab Republic of Egypt by 14.400 MW to meet population's needs.
This transaction was awarded by TXF media in April 2016 "The Best Overall ECA finance Deal of the Year".

Kingdom of Spain
**Debt Capital Markets**
2.954% end in 30 years

EUR 5,000,000,000

Joint Bookrunner

SPAIN MAR-2016

On March 8 2016, Societe Generale accompanied the Kingdom of Spain for its new 30-year benchmark euro issuance. With demand exceeding € 13.5bn from more than 300 investors, Spain was able to extend its debt profile at a historically low cost (2.954% for 30 years). Over 85% of the interest came from non-domestic investors including Germany, Austria and Switzerland which accounted for 32.4%, the UK and Ireland for 18.9%, while the US and Canadian investors accounted for 14.3% of demand.
This transaction also allowed Spain to continue the consolidation of its long curve and to achieve 4% of its 2016 budget and almost 30% over two months.

Volvo Financial Equipment LLC Series, 2016-1
**U.S Equipment ABS**

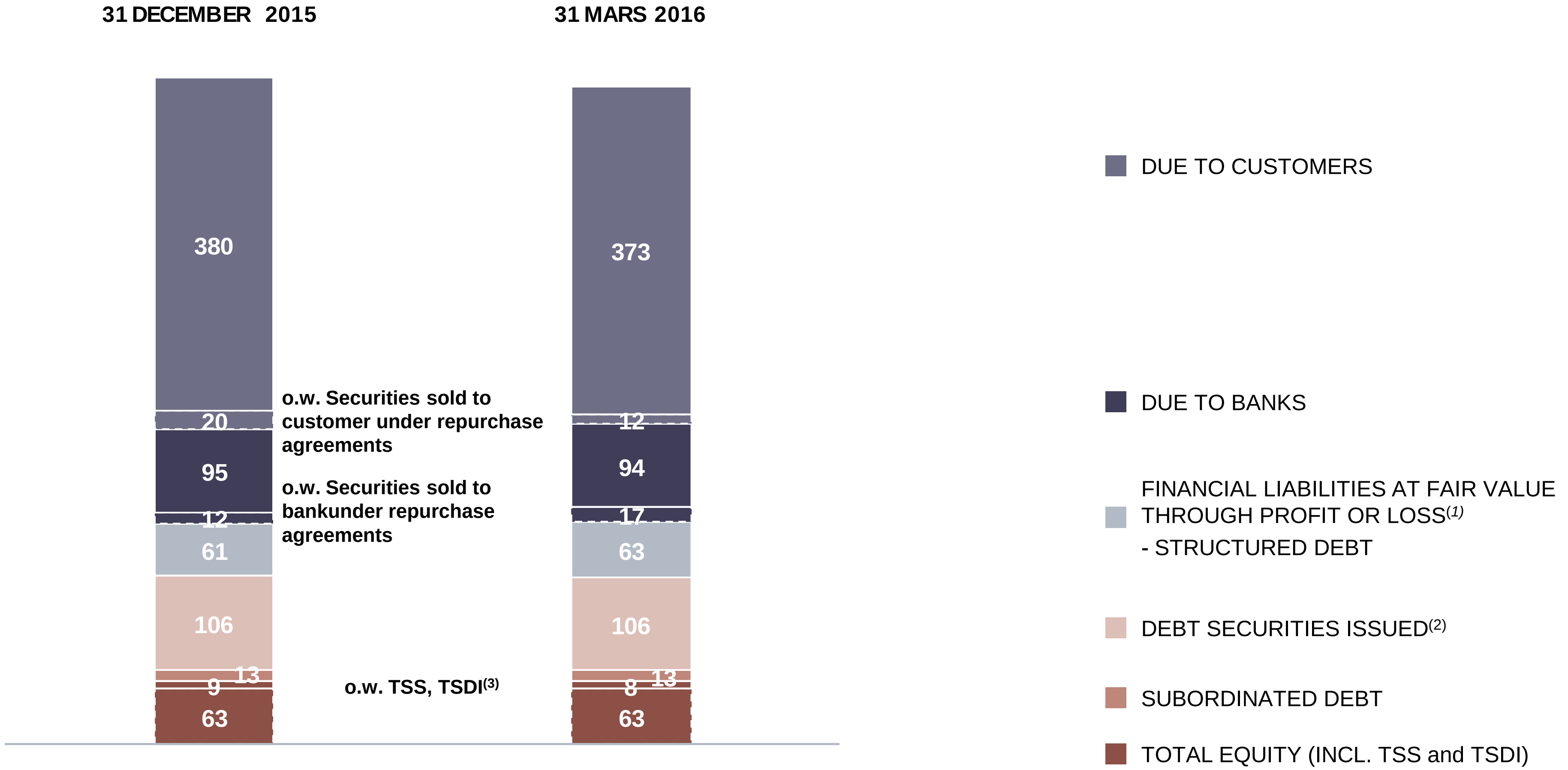
USD 662,880,000

Structuring Lead Arranger

US JAN-2016

Societe Generale acted as structuring lead bookrunner on a USD 663m equipment securitization in the US term ABS market. The transaction was backed by a pool of commercial truck and construction equipment loans secured primarily by Class 8 Volvo/Mack Trucks and construction equipment. The offered notes ranged from AAA to single-A with tenors out beyond 3 years. The transaction was successfully executed, despite a volatile market environment (at time of the deal - DOW: down ~10% YTD; Oil: down ~25% YTD and 10 years TSY: down over 30bps YTD), with tightening from initial price talk to final pricing on all but one class of notes.

# DETAILS ON GROUP FUNDING STRUCTURE




(1) o.w. debt securities issued reported in the trading book and debt securities issued measured using fair value option through P&L. Outstanding unsecured debt securities with maturity exceeding one year EUR 34.5bn at end-Q1 16 and EUR 38.5bn at end-Q4 15

(2) o.w. SGSCF: (EUR 8.9bn) , SGSFH: (EUR 10.9bn) , CRH: (EUR 7.1bn) , securitisation and other secured issuances: (EUR 4.2bn) , conduits: (EUR 8.6bn) at end- March 2016 (and SGSCF: (EUR 8.9bn) , SGSFH: (EUR 9.7bn) , CRH: (EUR 7.1bn) , securitisation and other secured issuances: (EUR 4.4bn) , conduits: (EUR 9bn) at end- Dec 2015. Outstanding amounts with maturity exceeding one year (unsecured): EUR 33.9bn at end-Q1 16 and EUR 29.6bn at end-Q4 15

(3) TSS, TSDI: deeply subordinated notes, perpetual subordinated notes. Notional amount excluding notably fx differences, original issue premiums/discounts, and accrued interest

# LONG TERM FUNDING PROGRAMME

- Parent company 2016 funding programme EUR 34bn, in line with 2015
  - **Including EUR 17bn of structured notes**
- Completed at 32% at 22nd April 2016 (EUR 10.9bn)
  - **Competitive senior debt conditions: MS6M+48 bp, average maturity of 5.6 years**
  - **Diversification of the investor base (currencies, maturities)**
- Additional EUR 0.7bn issued by subsidiaries

## Q1 16 LANDMARK ISSUANCE

### Societe Generale EUR senior unsecured dual tranche

| | |
|---|---|
| Senior Unsecured<br>3mE+35bp 19-Feb-18 | Senior Unsecured<br>Ms+80bp 19-Feb-18 |
| **EUR 1,000,000,000** | **EUR 750,000,000** |
| Sole Bookrunner | Sole Bookrunner |
| FRANCE 16/02/2016 | FRANCE 16/02/2016 |

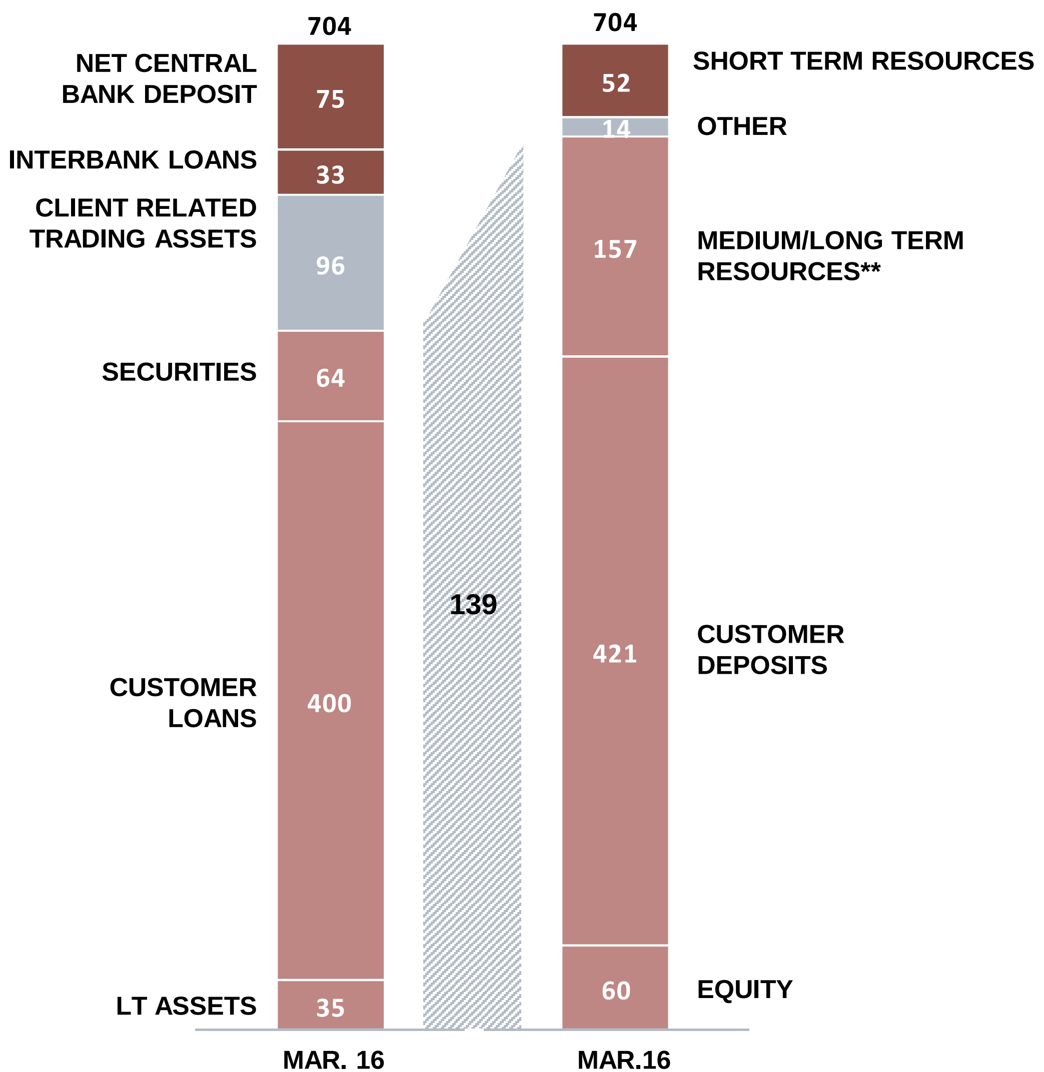
- Order book over 2bn
- Pricing at the tight-end of the guidance

### Societe Generale USD 144A/regs senior unsecured dual tranche

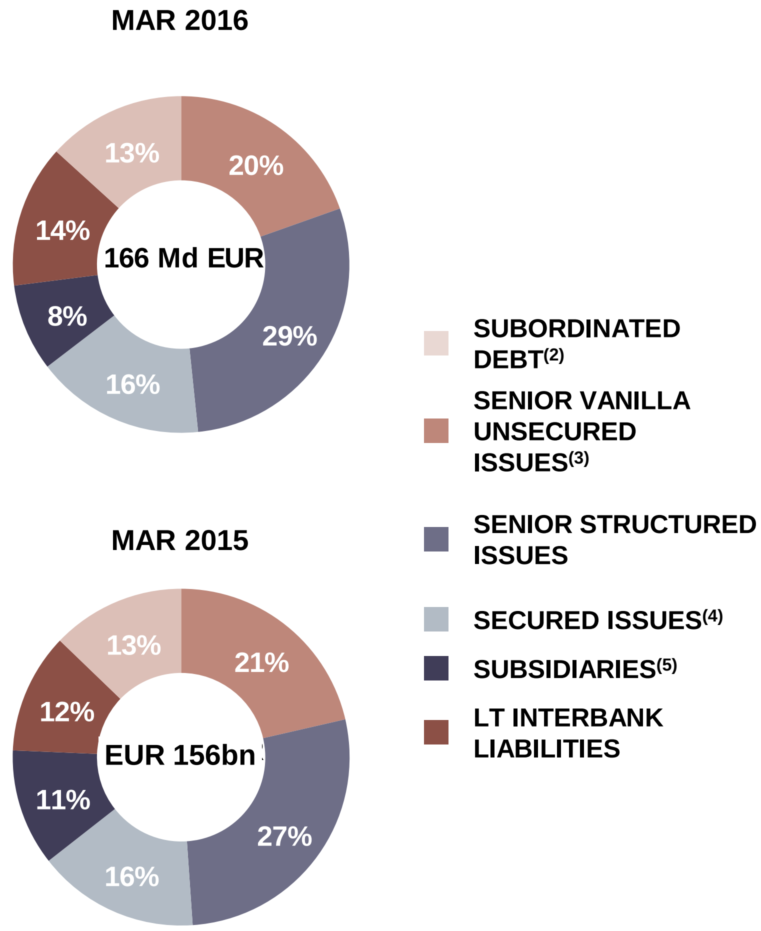
| | |
|---|---|
| Senior Unsecured<br>2.500% 08-Apr-21 | Senior Unsecured<br>3Ml+133bp 08-Apr-21 |
| **USD 750,000,000** | **USD 500,000,000** |
| Sole Bookrunner | Sole Bookrunner |
| FRANCE 04/04/2016 | FRANCE 04/04/2016 |

- Largest issuance since 2012
- Over-subscribed (x2), 60% from North America for fixed tranche and 50% from Asia for floater one
- Pricing at tight end of the guidance

# FUNDED BALANCE SHEET*




## Long Term Funding Breakdown(1)

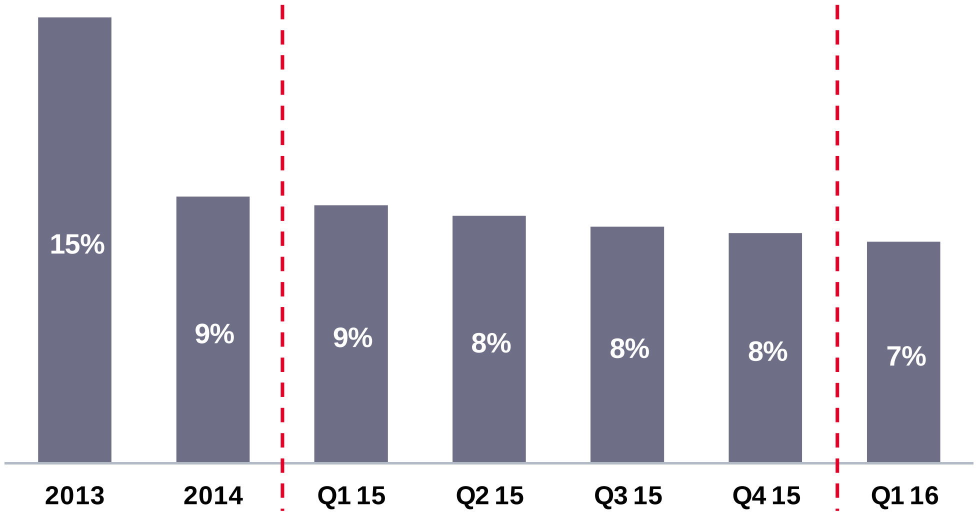



(1) Funded balance sheet at 31/03/2016 and 31/03/2015.
(2) Including undated subordinated debt
(3) Including CD & CP >1y
(4) Including CRH
(5) Including IFI

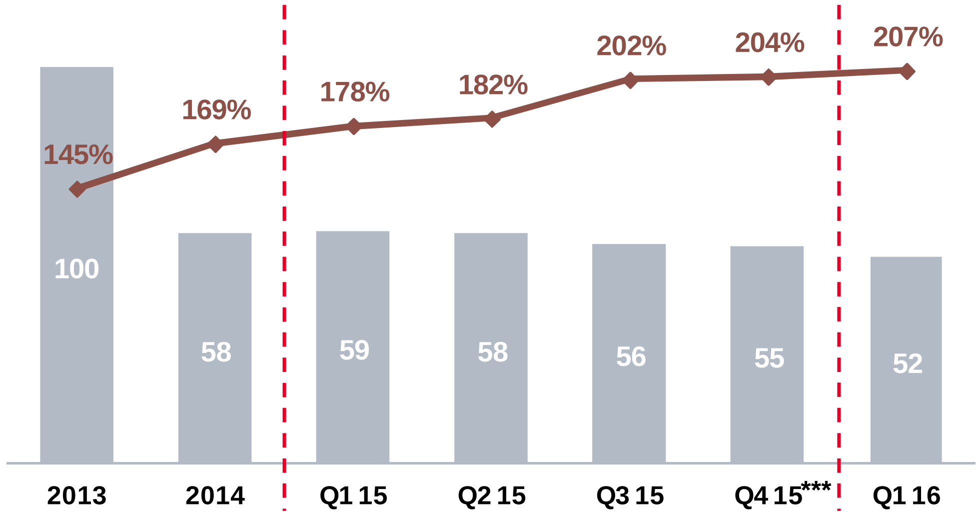
* See Methodology section n°7
** Including LT debt maturing within 1Y (EUR 27.9bn)

# SHORT TERM WHOLESALE FUNDING

## Share of short term wholesale financing in the funded balance sheet*



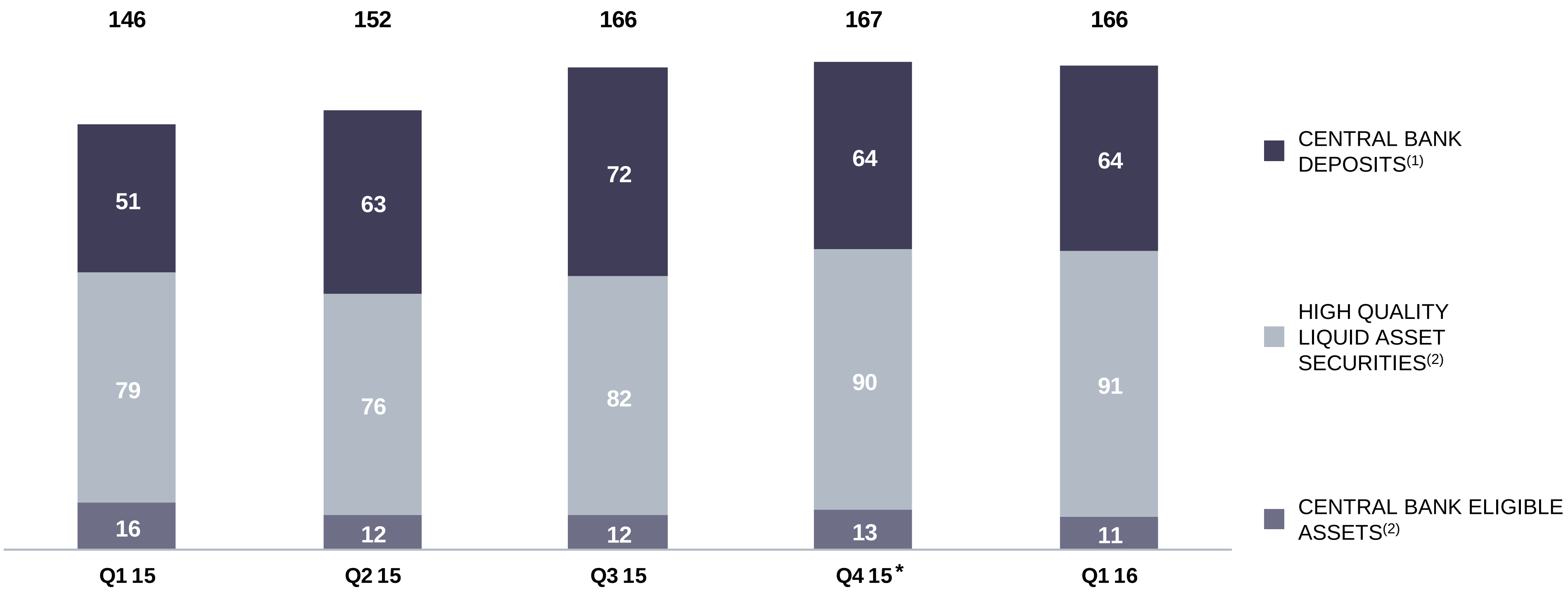

## Short term wholesale resources* (in EUR bn) and short term needs coverage** (%)




* See Methodology section n°7
** Including LT debt maturing within 1Y (EUR 27.9bn)
*** Data adjusted vs. published data at Q4 15 – short term needs coverage previously at 206%

# LIQUID ASSET BUFFER

## Liquid asset buffer (in EUR bn)




- Liquidity Coverage Ratio at 139% on average in Q1 16

(1) Excluding mandatory reserves
(2) Unencumbered, net of haircuts
* Data adjusted vs. published data at Q4 15 – High quality liquid asset securities previously at EUR 92bn

# EPS CALCULATION

| Average number of shares (thousands) | 2014 | 2015 | Q1 16 |
|---|---|---|---|
| **Existing shares** | **801,831** | **805,950** | **806,872** |
| **Deductions** | | | |
| sahres allocated to cover stock options and restricted shares awardedto staff | 4,404 | 3,896 | 3,191 |
| Other treasury shares and share buybacks | 16,144 | 9,551 | 5,709 |
| **Number of shares used to calculate EPS** | **781,283** | **792,503** | **797,972** |
| **Group net income** | **2,679** | **4,001** | **924** |
| Interest, net of tax effect, payable to holders of deeply subordinated notes and undated subordinated notes | (420) | (442) | (112) |
| Capital gain net of tax on partial repurchase | 6 | 0 | 0 |
| **Résultat net part du Groupe corrigé** | **2,265** | **3,559** | **812** |
| **EPS (in EUR) (1)** | **2.90** | **4.49** | **1.02** |

(1) In accordance with IAS 33, historical data per share prior to the date of detachment of a preferential subscription right are restated by the adjustment coefficient for the transaction

NB. 2014 figures adjusted further to the coming into force of IFRIC 21

# NET ASSET VALUE, TANGIBLE NET ASSET VALUE AND ROE EQUITY

| *End of period* | 2014 | 2015 | Q1 16 |
|---|---|---|---|
| **Shareholder equity Group share** | **55,229** | **59,037** | **59,039** |
| Deeply subordinated notes | (9,364) | (9,552) | (8,823) |
| Undated subordinated notes | (335) | (366) | (358) |
| Interest net of tax payable to holders of deeply subordinated notes & undated subordinated notes,interests paid to holders of deeply subordinated notes & undated subordinated notes, issue premiums amortisations | (179) | (146) | (235) |
| Own shares in trading portfolio | 220 | 125 | 32 |
| **Net Asset Value** | **45,571** | **49,098** | **49,655** |
| Goodwill | 5,131 | 4,533 | 4,532 |
| **Net Tangible Asset Value per Share** | **40,440** | **44,565** | **45,123** |
| **Number of shares used to calculate NAPS**** | **785,166** | **796,726** | **799,217** |
| **NAPS** (in EUR)** | **58.0** | **61.6** | **62.1** |
| **Net Tangible Asset Value per Share (EUR)** | **51.5** | **55.9** | **56.5** |

| *End of period* | 2014 | 2015 | Q1 16 |
|---|---|---|---|
| **Shareholder equity Group share** | **55,229** | **59,037** | **59,039** |
| Deeply subordinated notes | (9,364) | (9,552) | (8,823) |
| Undated subordinated notes | (335) | (366) | (358) |
| Interest net of tax payable to holders of deeply subordinated notes & undated subordinated notes,interests paid to holders of deeply subordinated notes & undated subordinated notes, issue premiums amortisations | (179) | (146) | (235) |
| OCI excluding conversion reserves | (1,284) | (1,582) | (1,732) |
| Dividend provision | (942) | (1,593) | (1,952) |
| **ROE equity** | **43,125** | **45,798** | **45,939** |
| **Average ROE equity** | **42,641** | **44,889** | **45,869** |

** The number of shares considered is the number of ordinary shares outstanding at 31 March 2016, excluding treasury shares and buybacks, but including the trading shares held by the Group. The Group proceeded to dispose of treasury shares (8 987 million shares, i.e. approx. 1% of shares).
In accordance with IAS 33, historical data per share prior to the date of detachment of a preferential subscription right are restated by the adjustment coefficient for the transaction
NB. 2014 figures adjusted further to the coming into force of IFRIC 21 (refer to Methodology, section 1)

# METHODOLOGY (1/3)

**1- The Group's consolidated results as at March 31st, 2016 were examined by the Board of Directors on May 3rd, 2016.**

The financial information presented in respect of Q1 2016 year has been prepared in accordance with IFRS as adopted in the European Union and applicable at that date, and has not been audited.
Note that the data for the 2015 financial year have been restated due to modifications to the rules for calculating normative capital allocation (based on 11% of RWA – risk-weighted assets – since January 1st, 2016 vs. 10% previously.
The IFRIC 21 adjustment corrects the charges recognised in their entirety when they are due (generating event) so as to recognise only the portion relating to the current quarter, i.e. a quarter of the total.

**2-** Group **ROE** is calculated on the basis of average Group shareholders' equity under IFRS excluding
(i) unrealised or deferred capital gains or losses booked directly under shareholders' equity excluding conversion reserves, (ii) deeply subordinated notes, (iii) undated subordinated notes recognised as shareholders' equity ("restated"), and deducting (iv) interest payable to holders of deeply subordinated notes and of the restated, undated subordinated notes, (v) a provision in respect of dividends to be paid to shareholders (EUR 1,952 million, including EUR 359 million in respect of Q1 2016). The net income used to calculate ROE is based on Group net income excluding interest, net of tax impact, to be paid to holders of deeply subordinated notes for the period and, since 2006, holders of deeply subordinated notes and restated, undated subordinated notes (see below).
As from January 1st, 2016, the allocation of capital to the different businesses is based on 11% of risk-weighted assets at the beginning of the period. This normative capital allocation is used to calculate **RONE** (Return on Normative Equity) which measures the profitability of the businesses.

**3-** For the calculation of **earnings per share**, "Group net income for the period" is corrected (reduced in the case of a profit and increased in the case of a loss) for capital gains/losses recorded on partial buybacks (neutral in 2016) and interest, net of tax impact, to be paid to holders of:

(i) deeply subordinated notes (EUR -114 million in respect of Q1 16),
(ii) undated subordinated notes recognised as shareholders' equity (EUR 2 million in respect of Q1 16).

Earnings per share is therefore calculated as the ratio of corrected Group net income for the period to the average number of ordinary shares outstanding, excluding own shares and treasury shares but including (a) trading shares held by the Group and (b) shares held under the liquidity contract.

**4- Net assets** are comprised of Group shareholders' equity, excluding (i) deeply subordinated notes
(EUR 8.8 billion), undated subordinated notes previously recognised as debt (EUR 0.4 billion) and (ii) interest payable to holders of deeply subordinated notes and undated subordinated notes, but reinstating the book value of trading shares held by the Group and shares held under the liquidity contract. Tangible net assets are corrected for net goodwill in the assets and goodwill under the equity method. In order to calculate Net Asset Value Per Share or Tangible Net Asset Value Per Share, the number of shares used to calculate book value per share is the number of shares issued at March 31st, 2016, excluding own shares and treasury shares but including (a) trading shares held by the Group and (b) shares held under the liquidity contract.

**5-** The Societe Generale Group's **Common Equity Tier 1 capital** is calculated in accordance with applicable CRR/CRD4 rules. The fully-loaded **solvency ratios** are presented pro forma for current earnings, net of dividends, for the current financial year, unless specified otherwise. When there is reference to phased-in ratios, these do not include the earnings for the current financial year, unless specified otherwise. The leverage ratio is calculated according to applicable CRR/CRD4 rules including the provisions of the delegated act of October 2014.

# METHODOLOGY (2/3)

**6-** The Group's **ROTE** is calculated on the basis of tangible capital, i.e. excluding cumulative average book capital (Group share), average net goodwill in the assets and underlying average goodwill relating to shareholdings in companies accounted for by the equity method. The net income used to calculate ROTE is based on Group net income excluding goodwill write-down, reinstating interest net of tax on deeply subordinated notes for the period (including issuance fees paid, for the period, to external parties and the discount charge related to the issue premium for deeply subordinated notes) and interest net of tax on undated subordinated notes (including issuance fees paid, for the period, to external parties and the discount charge related to the issue premium for undated subordinated notes).

**7- Funded balance sheet, loan/deposit ratio, liquidity reserve**

The **funded balance sheet** gives a representation of the Group's balance sheet excluding the contribution of insurance subsidiaries and after netting derivatives, repurchase agreements and accruals.

At March 31st, 2016, the IFRS balance sheet excluding the assets and liabilities of insurance subsidiaries, after netting repurchase agreements and securities lending/borrowing, derivatives and accruals, has been restated to include:

the reclassification under customer deposits of SG Euro CT outstanding (included in customer repurchase agreements), as well as the share of issues placed by French Retail Banking networks (recorded in medium/long-term financing), and certain transactions carried out with counterparties equivalent to customer deposits (previously included in short-term financing). However, certain transactions equivalent to market resources are deducted from customer deposits and reintegrated in short-term financing. The net amount of transfers from

- medium/long-term financing to customer deposits amounted to EUR 13bn at 31 March 2016 and EUR 13bn* at 31 December 2015
- short-term financing to customer deposits amounted to EUR 33bn at 31 March 2016 and EUR 37bn* at 31 December 2015
- repurchase agreements to customer deposits amounted to EUR 0bn at 31 March 2016 and EUR 0bn at 31 December 2015

The balance of financing transactions has been allocated to medium/long-term resources and short-term resources based on the maturity of outstanding (more or less than one year). The initial maturity of debts has been used for debts represented by a security.

In assets, the item "customer loans" includes outstanding loans with customers, net of provisions and write-downs, including net lease financing outstanding and transactions at fair value through profit and loss, and excludes financial assets reclassified under loans and receivables in 2008 in accordance with the conditions stipulated by the amendments to IAS 39. These positions have been reclassified in their original lines.

The accounting item "due to central banks" in liabilities has been offset against the item "net central bank deposits" in assets.

The **liquid asset buffer or liquidity reserve** includes
- central bank cash and deposits recognised for the calculation of the liquidity buffer for the LCR ratio
- liquid assets rapidly tradable in the market (High Quality Liquid Assets or HQLA), unencumbered net of haircuts, as included in the liquidity buffer for the LCR ratio
-central bank eligible assets, unencumbered net of haircuts

* Q4 15 data adjusted compared to the version published on 11th February 2016. Previous published amount respectively EUR 14bn and EUR 43bn.

# METHODOLOGY (3/3)

**8 – Non-economic items and restatements**

1. Non-economic items correspond to the revaluation of own financial liabilities and DVA. Details of these items, and other items that are restated, are given on page 30 and 31 for Q1 16 and Q1 15.

**NB (1)** The sum of values contained in the tables and analyses may differ slightly from the total reported due to rounding rules.

**(2)** All the information on the results for the period (notably: press release, downloadable data, presentation slides and supplement) is available on Societe Generale's website www.societegenerale.com in the "Investor" section.

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