LETTER TO SOCIETE GENERALE SHAREHOLDERS

#73 | MARCH 2010

EDITORIAL

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by Frédéric Oudéa,
Chairman and CEO

Dear shareholder,

Societe Generale's 2009 financial results reflected a strong operating performance despite the significant impact of the economic crisis and write-downs of legacy assets. Group net income amounted to EUR 678m.

On this basis, the Board of Directors has decided to propose at the Annual General Meeting on 25 May a dividend of EUR 0.25 per share. It will also propose an optional scrip dividend.

These disappointing financial results mask the commercial momentum of the Group's businesses, with an increase in the number of curent accounts opened in the French Networks, solid operating performances in Private Banking, resilience in International Retail Banking and market share gains in Corporate and Investment Banking.
In keeping with its commitment to finance the French economy, the Group affirmed its presence with its customers, as demonstrated by the 3.1% increase in loans granted by the Group to French households and companies.
In 2009, the Group also realigned businesses hardest affected by the crisis: retail banking platform in Russia, the worst-affected consumer credit operations and asset management with the setting up of Amundi, a joint venture with Crédit Agricole.

+ continued on page 2

CONTENTS

KEY FIGURES

Full-year 2009

REVENUES OF CORE BUSINESSES
EUR 24.9bn (+26.8% vs. 2008)

GROUP NET INCOME
EUR 678m

FINANCIAL SOLIDITY STRENGTHENED:
TIER 1 RATIO (BASEL II)
10.7% o/w **8.4%** Core Tier 1

EARNINGS PER SHARE
EUR 0.45 (vs. ***EUR 3.20** in 2008)

PROPOSED DIVIDEND
EUR 0.25 per share
(vs. **EUR 1.20** per share in 2008)

OPTIONAL SCRIP DIVIDEND

* Restated by the adjustment coefficient, in accordance with IAS 33.

Fourth quarter 2009

REVENUES OF CORE BUSINESSES
+29.9% vs. **Q4-08**

GROUP NET INCOME
EUR 221 m

+ 33 (1) 42 14 52 16 from abroad
0 800 850 820 from landlines
in France (free call)

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SOCIETE GENERALE

RETAIL BANKING, SPECIALISED FINANCING & INSURANCE * PRIVATE BANKING, GLOBAL INVESTMENT MANAGEMENT & SERVICES * CORPORATE & INVESTMENT BANKING

EDITORIAL
- Continued -

Lastly, the Group strengthened its balance sheet through a successful capital increase last autumn and changes to its management bodies.
2010 should see a sharp recovery in the Group's financial results thanks to the growth of its businesses and the gradual reduction of the impact of the financial crisis.
In acknowledgement of the new economic and banking environment, Societe Generale will continue the profound transformation process instigated in 2009 with the Ambition SG 2015 programme. These measures will be centred on the following areas:

- Reinforcing a universal banking strategy refocused on its core businesses which form the base of customer relations (French Networks, International Retail Banking and Corporate and Investment Banking), with which the Specialised Financing & Insurance and Global Investment Management & Services businesses are working in synergy;
- Accelerating the Group's growth though a product and service range designed more than ever to guarantee customer service;
- Implementing a human resources policy that helps foster employee talent and is responsible in terms of compensation;
- Pooling production facilities and increasing process industrialisation.

Thanks to these priorities, rest assured, dear shareholder, that Societe Generale's 157,000 employees and management team are committed to accelerating the Group's transformation.

I thank you for your confidence.

Frédéric Oudéa,
Chairman and CEO

2009 results

While the 2009 financial results were marked by the effects of an exceptional recession and the legacy of the past, last year's commercial performances demonstrated the Group's ability to support its customers and the ability of its businesses to develop and adapt.

French Networks

The French Networks posted good commercial and financial performances in 2009 given the deteriorated economic environment.

In terms of individual customers, the growth in the number of personal current accounts by 96,000 units illustrates the commercial dynamism of the teams. Average outstanding deposits increased by +1.8%, due to the dynamic growth of the Special Savings Scheme and passbook accounts. Life insurance experienced an upturn which was particularly significant in H2. Gross inflow totalled EUR 7.9 billion, up +6.3%. New housing loan business enjoyed a strong revival in the second half of the year and totalled EUR 11.5 billion. Overall, outstanding loans to individuals rose 3.6% over the year.
The relatively sluggish activity in **the business customer market** reflects the difficulties experienced by businesses in an environment that remained very deteriorated in 2009. Hit by falling demand, outstanding operating loans dropped by 15.5%. Outstanding investment loans continued to grow (+7.5%). Overall, outstanding loans to business customers increased by 2.8%.

In 2009, the Group demonstrated its support for the French economy by expanding loans to individuals and businesses by 3.1% over the year.

International Retail Banking

International Retail Banking demonstrated its resilience with ROE of 14.4% in 2009 on the back of a diversified development strategy in several economic regions (Central and Eastern Europe, Russia, the Mediterranean basin, sub-Saharan Africa and the French overseas territories).
Outstanding deposits totalled EUR 64 billion, up 5.4%. A more cautious loan approval policy was adopted in order to contain the rise in risks, while outstanding loans were down 2.6%. The division also kept a tight rein on costs and continued to streamline its network: 143 branches were opened, principally in dynamic regions, and 85 were closed, mainly in Russia, representing 58 net openings (vs. +248 in 2008).

Specialised Financing and Insurance

Specialised Financing and Insurance saw their full-year revenues grow by 1.8%*, despite an unfavourable environment, particularly in consumer credit, operational vehicle leasing and fleet management, and equipment finance. The Group net income was at breakeven.
The Insurance activity enjoyed a satisfactory year in 2009, with high gross life insurance inflows (+13.5%*) and solid revenues.

Private Banking, Global Investment Management & Services

Private Banking

Private Banking posted satisfactory commercial performances. The business line continued to expand and strengthen its operating infrastructure in France and the Middle East. It recorded a net annual inflow of EUR 3.1 billion, while assets under management grew by 12.7% to EUR 75.4 billion at the end of 2009.

Asset Management

The main event in **Asset Management** this year was the realignment of the operating infrastructure with the creation of Amundi, in which the Group has a 25% stake. This joint venture will allow the Group to provide highly competitive investment and savings products to clients through its distribution networks.

Societe Generale Securities Services (SGSS), Brokers (Newedge) and Online savings (Boursorama)

Securities Services was severely hampered by historically low interest rates, even if it shows encouraging signs of recovery. Assets under custody and assets under administration rose by 20% and 6% respectively.
Despite a recovery at year-end, **Newedge's** 2009 trading volumes were lower than in 2008 (-6.4% at 3,100 million lots), albeit less so than the market (-14.9%). Capitalising on the strong volatility and subsequent rebound in European stock markets, **Boursorama** enjoyed a strong level of activity. This was especially true in online banking, with more than 34,000 accounts opened over the year, bringing the total number of sight accounts to almost 107,000 at the end of 2009.

Corporate and Investment Banking

Corporate and Investment Banking's excellent performances illustrate the solidity of its customer franchises and its ability to capture market share. 2009 revenues totalled EUR 9,693 million excluding **legacy assets**, the best ever performance by this division. The net banking income of legacy assets was negative at EUR -2,826 million in 2009, mainly due to the deterioration in the US residential real estate market. **Global Markets** had an excellent year in 2009, with revenues having more than doubled to EUR 7,200 million. With revenues of EUR 3,300 million in 2009 (x2.5), **Equities** approached their 2007 record, confirming leading positions in the warrants market (global No. 1) and ETF market (European No. 2). With assets up 21%, Lyxor continued to enjoy dynamic growth. **Fixed Income, Currencies & Commodities** enjoyed record revenues of EUR 3,900 million (x2.2). Once again in 2009, **Financing & Advisory** demonstrated the quality of its expertise and its commitment to finance the economy. This business also generated record revenues (+39.5% at EUR 2,493 million).

> **"International Retail Banking illustrated its resilience by posting an ROE of 14.4%.**

Corporate Centre

The Corporate Centre now includes all the accounting effects linked to the marked-to-market valuations of the credit derivative instruments used to hedge the corporate loans portfolio and revaluations of financial liabilities and treasury shares, to make easier to interpret the performances of core businesses. These items, which reached an exceptional level on account of the crisis, made a contribution of EUR -2,342 million to gross operating income in this division. They should be much lower in the future given the reduction in the portfolio's sensitivity.
Following the setting up of Amundi, the result of merging its asset management activities with those of Crédit Agricole SA, the Group has also recorded a capital gain in net gains on other assets of EUR 732 million before tax.

( ) 2009 / 2008
(a) excluding the PEL/CEL provision and VISA capital gain
* on a like-for-like basis

	French Networks	International Retail Banking	Specialised Financing and Insurance	Private Banking, Global Investment Management & Services	Corporate and Investment Banking
NBI in EURm	7,253 (+2.0%) (a)	4,724 (+1.9%)*	3,225 (+1.8%)*	2,833 (+1.1%)*	6,867 (x4.5)*
Group net income in EURm	971 (-19.8%) (a)	445 (-28.0%)	17 (-96.3%)	227 (x2.1)	623 n/s
ROE after tax as %	18.0%	14.4%	0.4%		8.1%

* When adjusted for changes in Group structure and at constant exchange rates
NB: all the percentage variations on pages 2 and 3 are calculated on the basis of 2009 versus 2008. Ratios calculated on a different basis are mentioned specifically.

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New structure of the Group Executive Committee

To steer the Group's transformation, Frédéric Oudéa, Chairman and CEO, has been assisted since January 1, 2010 by three Deputy Chief Executive Officers (from left to right):

- **Séverin Cabannes,** who supervises Corporate and Investment Banking, Private Banking, Global Investment Management and Services.
- **Jean-Francois Sammarcelli**, Head of the French Retail Banking division.
- **Fréderic Oudéa**, Chairman and CEO.
- **Bernardo Sanchez Incera**, Head of International Retail Banking and Specialised Financing and Insurance.

CALENDAR

May 5, 2010
Publication of 1st quarter 2010 results

May 25, 2010
Annual General Meeting

June 1, 2010
Detachment of the dividend

June 23, 2010
Payment of the dividend

August 4, 2010
Publication of 2nd quarter 2010 results

November 3, 2010
Publication of 3rd quarter 2010 results

Societe Generale worldwide

157,000 employees,
working in **83** countries
128 nationalities represented.

(data at end-2009)

Direct information on societegenerale.com

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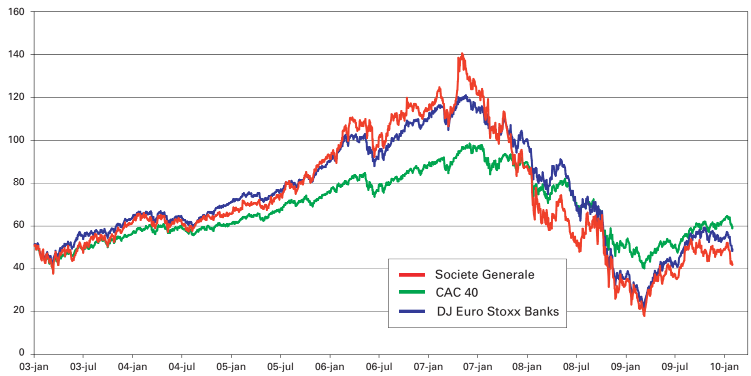
Information on Societe Generale Group is always available in our **"Monthly report"** or our **Group newsletter** and is just a click away!

Share Performance

Societe Generale share price on January, 29, 2010: EUR 42.205

Historical per share data have been adjusted using a coefficient of 0.94779 (communicated by Euronext) following detachment of the preferential subscription right from the Societe Generale shares in respect of the capital increase launched on October 8, 2009



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French Retail Banking: unity in diversity

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Jean-Francois Sammarcelli, Deputy Chief Executive Officer and Head of Retail Banking in France.

Singularities and synergies are the words that best sum up the new entity consisting of the three retail banking banners in France that Societe Generale has brought together around a shared commitment: quality of service.

Amundi: the supplier of Societe Generale savings products

The asset management joint venture of groups Crédit Agricole and Societe Generale and number three in Europe*, Amundi is positioned as a value-added provider for each of its distribution clients.
Asset management firms Societe Generale Gestion (SGG) and Etoile Gestion are dedicated to the Group's two retail banking banners that distribute investment and savings products under their own brands.

* according to the IPE Top 400 ranking published in July 2009, data as at 31/12/2008

Societe Generale's french retail banking activities have been brought together under the leadership of Jean-François Sammarcelli, Deputy Chief Executive Officer of the Group. The new French retail banking division structure employs 40,000 people today under three complementary banners – Societe Generale, Crédit du Nord and Boursorama – each cultivating their own identity to cover the whole market as precisely as possible.
The Societe Generale network is the large national universal bank with 2,282 branches and 8.7m clients ranging from individuals to large and small companies, local authorities and associations; Crédit du Nord is a federation of regional banks whose 785 branches provides services to 1.6m businesses, small and medium-sized companies and individual customers; and Boursorama is number one in low-cost online banking in France, and also has a presence elsewhere in Europe. In the interests of the Societe Generale Group, these three banners have different and complementary business models and continue to compete with each other. Business trends in the second half of 2009 in terms of account openings, savings inflows and credit agreements confirmed that this is the right approach. The new French retail banking division aims to harness numerous synergies by sharing best practices, developing a common IT system and developing powerful levers to improve operational efficiency. Another project is to strengthen client relationships and satisfaction to make Societe Generale the leading relationship-driven retail bank in the French market.

TWO QUESTIONS TO:

Hugues Le Bret,

Chairman and CEO of Boursorama

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How would you describe Boursorama today?
An online broker in the past, Boursorama has today become the Group's low-cost online bank. It addresses the segment of individual internet users and offers securities accounts, payment cards, mortgages and other services. While 80% of our activity is in France, we also have a presence in Spain, Germany and the UK. Boursorama's revenues totalled EUR 200m in 2009, with 618,000 accounts in Europe.

What are your ambitions?
Today, pure online banking serves less than 1% of the French population, compared with 5-10% in other European countries. This figure should reach around 15% in ten years. Boursorama intends to remain market leader in France and to step up its European development.

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Emerging countries: developing a new growth model

Xavier Denis, Economist and strategist, Societe Generale Private Banking

The 1990s and the start of the last decade were characterised by a series of crises that principally hit emerging countries: Mexico in 1995, Russia and Asia in 1998 and Argentina in 2001. The present financial crisis, which has severely affected developed countries, paves the way for a broad rebalancing of world growth towards emerging countries.

The term "emerging countries" covers a disparate reality. Some countries, such as South Korea or Taiwan, have similar income levels to advanced countries and the technological expertise to compete with them in high value-added sectors. Other countries are resource economies that have benefited from the rise in commodity prices since the start of the last decade. A third category consists of transition economies that are experiencing an accelerated economic transformation because of their growing role as manufacturing platforms: Central and Eastern European countries, Mexico and Indonesia fall into this category.

Following the crises in the 90s, a lot of emerging countries in Asia and Latin America adopted cautious macroeconomic policies, reducing their public and trade deficits. The accumulation of foreign-currency reserves has consolidated their financial positions and allowed them to make increasing use of local currency-denominated financing. Added to this, the investment rates of Asian countries have fallen significantly over the past ten years, prompting US authorities to blame these countries for the savings glut, providing an a contrario justification for the deterioration in the US current account balance (see chart).

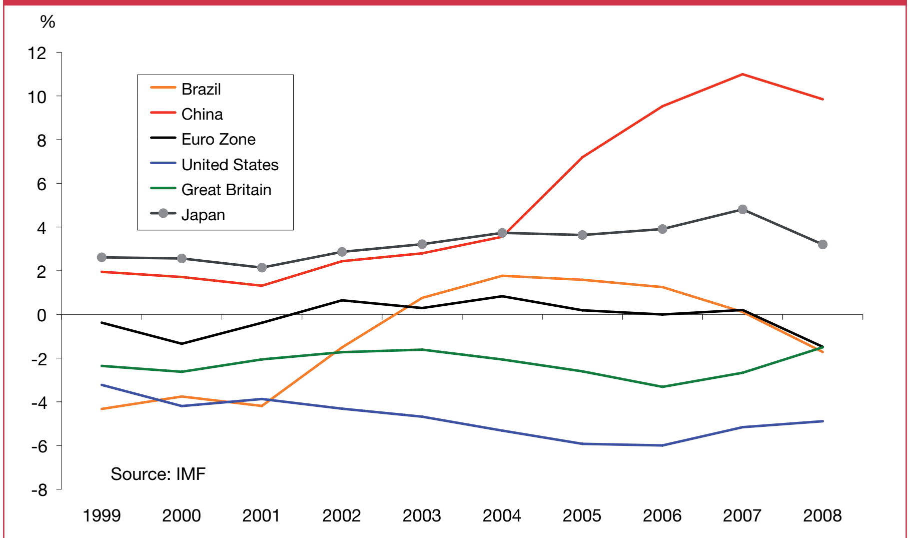
As such, countries with the most solid macroeconomic fundamentals have withstood the crisis far better than others. The weak internationalisation of their financial systems also immunised them against the subprime crisis. Even so, some countries that entered the crisis with large public deficits and high foreign currency-denominated private sector debt have experienced a sharp decline in activity (the Baltic states and Central and Eastern European countries, for example).

A new growth model

The economic crisis has sounded the death knell for the mercantilist policies pursued by many emerging countries, especially in Asia. These last countries have opted for integration in international trade and a move up the value chain. This policy has been an undeniable success, helping to increase per capita GDP by a factor of 2.5 in China and by a factor in 2 in India between 2000 and 2008.

The limits of this export-driven growth policy are becoming apparent today. The capacity of developed countries to absorb these exports (principally the US, but also

Current account balances (% of GDP)



“The economic crisis has sounded the death knell for the mercantilist policies pursued by many emerging countries, especially in Asia.

Europe) has deepened their trade deficits, which reflect an unsustainable increase in consumption over time. This consumption has been financed by credit: the corollary of higher US household indebtedness has been a rise in foreign-currency reserves held by China, which in 2009 became the leading creditor country of the US, ahead of Japan.

Emerging economies, especially in Asia, must rebalance their growth drivers towards domestic demand. This will be a long process lasting a decade or more, since it requires a secular change in behaviour. The first necessary step is a reversal of the trend observed between 2000 and 2008: that of a reduction in the share of private consumption in GDP seen across emerging Asia. For example, this share fell from 42% in China in 2000 to 35% in 2008, compared with a share of 70% in the US (in 2008).

In China, the increase in company savings is the principal vector of growth in the national savings rate, ahead of household savings. This phenomenon stems from the low level of earnings paid out by large companies, as well as the difficulty SMEs have in gaining access to bank credit, forcing them to self-finance their expansion.

For households as well, accumulated savings play a decisive role in purchases of durable goods, such as cars, for lack of a sufficiently developed credit system. The increased cost of healthcare and education also encourages families to increase precautionary savings. The introduction of social security systems would reduce the share of self-insurance. A modernisation of the banking sector is required to facilitate access to credit and banking services for a population that mostly has no access to them. By the same token, financial markets must be developed further to diversify investment opportunities and foster long-term savings. Lastly, an appreciation of local currencies would help to raise the spending power of emerging economies, favouring internal demand over external demand. A renewed appreciation of the Chinese yuan against the US dollar would pave the way for a broad appreciation of Asian currencies against the leading currencies, thereby participating in the rebalancing of world growth. ■

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A NEW ELDORADO FOR EQUITY MARKETS?


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Flattering growth forecasts for emerging countries and hopes of an appreciation of local currencies are a powerful attraction for investors. Added to this are the high margins of companies in local markets where competition is often limited, since they are still closed to international competitors. It is therefore tempting to take advantage of this favourable backdrop to invest in equity or even bond markets.

These markets suffer from the defects of youth. They are volatile, since they are sensitive to foreign investment flows (e.g. India and Brazil) for lack of a solid core of local institutional investors (pension and insurance funds). A search for liquidity forced many foreign investors to massively unwind their positions at the end of 2008, resulting in a marked decline in equity prices and a sharp depreciation of local currencies. Conversely, in the recovery phase, these markets have been more prone to exuberance and hence to sudden corrections. The level of market regulation and the quality of corporate governance also have room for improvement. Investors do not have as much security as in a mature market, requiring them to take a more prudent approach by investing in mutual funds, for example, or buying indices that track local markets.

Another possible play on the dynamism of emerging markets consists of investing in stocks that generate a substantial share of their revenues in these countries.

Some companies operating in the luxury goods, capital goods and financial sectors in particularly are set to continue benefiting from their presence in emerging markets, where they find new growth channels.

Maintaining strong world growth requires a change in development models. The growth of developed countries will be curbed for a long time to come by the weight of public or private debt. Accordingly, it is essential that emerging economies strengthen their role as drivers of the world economy by promoting internal demand while avoiding the risks of artificial stimulation, a cause of bubbles and future recessions.

INNOVATION

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Equation, a work by sculptor Stephen Dean. Societe Generale collection.

The SME Pact

The SME Pact aims to strengthen ties between innovative SMEs and large corporates. Some 55 large French companies have signed the Pact in the past three years.

Societe Generale, the first bank to sign the SME Pact in 2007, wishes to develop mutually beneficial relationships with small and medium-sized companies.

In this regard, the Group has rethought its policy for facilitating access by small companies to its markets. It also held three thematic meetings at the end of 2009 at which 35 SMEs talked to representatives of the Group's different businesses and discussed a variety of fields of innovation ("Green IT", IT security, etc.).

The Group's commitment to the SME Pact has not weakened in 2010. At the behest of the Head of Resources responsible for Innovation, these twice-yearly meetings have been fully integrated within Societe Generale's innovation process, the aim being to discover innovations that are indispensable to tomorrow's banking services and businesses. The last meeting on February 4, 2010 addressed "e-reputation" (reputation on the internet: a threat or opportunity for companies) and unified communication services for employees. ■

CORPORATE SOCIAL RESPONSIBILITY

Societe Generale has a strong capacity for innovation centred on client satisfaction in its different markets. This state of mind allows us to act on changes in our environment and to anticipate the future needs of our clients by inventing new products and services.

An agreement to promote entrepreneurship in Africa and the Mediterranean basin

To boost economic growth and the creation of durable jobs in Africa and the Mediterranean, Societe Generale has signed an agreement with the French Development Agency (AFD) that will allow banks in its network to grant EUR 100m of loans to entrepreneurs. The AFD will guarantee 50% of the risk of non-repayment of these loans, which have a unit value of less than EUR 300,000 each. The aims: inject dynamism into a financing offering tailored to the needs of small and medium-sized companies in these regions, improve risk assessment and stimulate Societe Generale's loan origination so that it can increase its capacity more rapidly in this client segment. This agreement may to extended later to other regions.

Exemplary environmental initiative in Bordeaux

The Corporate and Investment Banking division has signed a financing contract for the design, construction and maintenance of a positive energy building (one that produces more energy than it consumes), which will house 350 employees of the Bordeaux urban authority and have three underground parking levels. To achieve this energy performance, an HEQ (High Environmental Quality) process was initiated, allowing the building to obtain a BBC (low consumption building) label, coupled with 1,210m² of solar panels whose output is entirely sold to EDF. This public-private partnership extends for 20 years.

Head of Publications: Caroline Guillaumin.
Societe Generale, a French corporation (société anonyme) with share capital of EUR 924,757,831.25
Registered offices: 29 bd Haussmann, Paris, France
Company registration number: 552 120 222 00013 R.C.S. Paris, Communication department
Data Protection Act (French law No. 78-17): you can consult or amend our files or remove your details by contacting the Individual Shareholder Relations Department.
Design and production: Incidences | Legal filing: March 2010 | ISSN 1258-8881

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