

**2004: STRONG RESULTS**

- Growth in franchises and revenue
- Tight cost control
- Strong growth in gross operating income: +12.7%\* vs. 2003
- Low net allocation to provisions
- Operating income: +36.2%\* vs. 2003
- Net income: EUR 3,125 million (+25.4% vs. 2003)
- Earnings per share: EUR 7.65 (+26.0% vs. 2003)
- Recommended dividend: EUR 3.30 per share (+32.0% vs. 2003)

**FOURTH QUARTER 2004:**

- Sustained revenue growth: +9.4% \* vs. Q4-03
- Net income: EUR 836 million (+29.8% vs. Q4-03)
- Group ROE after tax: 19.6%<sup>55</sup>

<i>In EUR million</i>	2004	Change vs. 2003	Q4 04	Change vs. Q4 03
Net banking income	16,416	+5.0%	4,320	+10.2%
<i>On a like-for-like basis*</i>		+6.0%		+9.4%
Operating expenses	-10,967	+3.8%	-2,869	+2.4%
<i>On a like-for-like basis*</i>		+2.9%		+1.6%
Gross operating income	5,449	+7.5%	1,451	+29.7%
<i>On a like-for-like basis*</i>		+12.7%		+28.8%
Operating income	4,908	+27.7%	1,347	+43.6%
<i>On a like-for-like basis*</i>		+36.2%		+43.0%
Net income	3,125	+25.4%	836	+29.8%

	2004	2003	Q4 04	Q4 03
Group ROE after tax	18.9%	16.2%	19.6%	16.4%
Business line ROE after tax	28.3%	24.0%	30.7%	25.4%

\* When adjusted for changes in Group structure, at constant exchange rates and, with respect to the comparison of nine-month figures, excluding the capital gain of EUR 187 million on the disposal of property booked under NBI in Q1 03.

As of this quarter the Group's results are presented in accordance with the new management structure arising from the establishment of the securities business (SG GSSI) in 2004. All historical data for the business lines have been adjusted accordingly.

**CONTACTS****SOCIÉTÉ GÉNÉRALE**

Jérôme FOURRÉ  
+33(0)1 42 14 25 00  
Hélène AGABRIEL  
+33(0)1 41 45 97 13  
Stéphanie CARSON-PARKER  
+33(0)1 42 14 95 77

COMM/PRS  
Tour Société Générale  
92972 Paris-La Défense  
cedex  
France

Fax +33(0)1 42 14 28 98

[www.socgen.com](http://www.socgen.com)

[www.ir.socgen.com](http://www.ir.socgen.com)

SOCIÉTÉ GÉNÉRALE  
A French corporation with  
share capital of  
EUR 556 441 448.25  
552 120 222 RCS PARIS



**GROUP**

RETAIL BANKING & FINANCIAL SERVICES – ASSET MANAGEMENT, PRIVATE  
BANKING – CORPORATE & INVESTMENT BANKING

At the meeting of the Board of Directors of Société Générale on February 9th 2005, the Board examined the results at December 31<sup>st</sup> 2004, which confirmed the Group's capacity for growth. The Board of Directors will recommend a dividend payment of EUR 3.30 per share, representing a 32% increase on 2003, to the Annual General Meeting.

## **1. GROUP CONSOLIDATED RESULTS**

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2004 saw strong economic growth worldwide but an uncertain economic environment in Europe, a lack of clear-cut trends in the equity markets and a decline in interest rates and the dollar. The volume of deals by European corporates remained limited, notably on the equity capital markets. However the credit risk environment proved very favourable.

In this context the Group recorded strong results. Gross operating income stood at EUR 5,449 million for the year, up sharply by 12.7%<sup>1</sup>, compared to 2003, while net income rose by 25.4% to EUR 3,125 million.

The fourth quarter of 2004 was marked by sustained revenue growth, stable operating expenses and continued low risk provisioning. Net income was up 29.8% compared to the fourth quarter of 2003.

### **Net banking income**

Net banking income for the year stood at EUR 16,416 million. In relation to 2003, this represented a 6.0%<sup>1</sup> increase (+5.0% in absolute terms). Revenue in the Corporate & Investment Banking arm was stable in relation to 2003, which represented a high base; revenue in all the other businesses was up, particularly in the Group's growth drivers – Retail Banking outside France, Financial Services and Global Investment Management & Services.

In the fourth quarter of 2004, Group net banking income stood at EUR 4,320 million, up sharply by 9.4%\* (+10.2% in absolute terms).

These results underscored the Group's ability to deliver strong growth throughout the business cycle, thanks to its well-balanced business mix and the dynamic contribution made by its growth drivers.

### **Operating expenses**

Operating expenses rose by 2.9%\* compared to 2003, reflecting continued emphasis on investment and tight cost control.

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<sup>1</sup> When adjusted for changes in Group structure and at constant exchange rates and excluding the capital gain of EUR 187 million on the disposal of property booked under NBI in Q1 03.

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

The Group's 2004 cost/income ratio stood at 66.8%, down from 68,4%<sup>1</sup> in 2003. The Group's cost/income ratio stood at 66.4% for the quarter, compared to 71.5% in the fourth quarter of 2003.

### **Operating income**

Gross operating income rose by 12.7%<sup>2</sup> to EUR 5,449 million compared to 2003. Gross operating income in the fourth quarter of 2004 rose by 28.8%\*.

In the fourth quarter, risk provisioning remained low for the fifth quarter running, reflecting a favourable credit environment and specific factors within the Group, namely: systematic diversification of the credit portfolio, improved risk management and conservative provisioning of risk exposure. In 2004, the cost of risk in the French Networks stood at 32bps of risk-weighted assets, thereby confirming the structural improvement in the Group's risk profile. For the third consecutive quarter, Corporate & Investment Banking booked a net write-back which stood at EUR 37 million in the fourth quarter (net write-back of EUR 60 million for the year as a whole), achieved exclusively through the write-back of specific provisions on loans redeemed or sold, with no write-back from the general credit risk reserve.

Group operating income in 2004 stood at EUR 4,908 million, up 36.2% compared to 2003 (+27.7% in absolute terms).

Operating income for the quarter stood at EUR 1,347 million, up sharply by 43.0%\* (43.6% in absolute terms).

### **Net income**

In a stock market environment lacking clear-cut trends, and in the absence of major deals, net income from long-term investments stood at EUR 119 million over the year. After goodwill amortisation, corporate income tax (effective annual tax rate of 28%) and minority interests, net income totalled EUR 3,125 million for the quarter, up 25.4% on 2003. Group ROE after tax stood at 18.9% for the year, compared to 16.2% last year.

Over the quarter, net income rose by 29.8% to EUR 836 million. Group ROE after tax stood at 19.6%, up sharply compared to the fourth quarter of 2003 (16.4%).

## **2. CAPITAL BASE**

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Group shareholders' equity stood at EUR 18.6 billion at December 31st 2004, representing a book value per share of EUR 45.5. The Tier 1 ratio stood at 8.54% at

<sup>1</sup> Excluding the capital gain of EUR 187 million on the disposal of property booked under NBI in Q1 03.

<sup>2</sup> When adjusted for changes in Group structure and at constant exchange rates and excluding the capital gain of EUR 187 million on the disposal of property booked under NBI in Q1 03.

December 31st 2004. Risk-weighted assets increased by 8,7%\* over the year (9.9% in absolute terms).

As part of its policy aimed at cancelling out the dilutive impact of capital increases reserved for employees and stock option plans, Société Générale bought back 10.4 million shares (net of disposals) in 2004 at an average price of EUR 67.6. At December 31<sup>st</sup> 2004, the Group held 39.3 million of its own shares (excluding those held as part of its trading activities), representing 8.8% of its total share capital. Furthermore the Board of Directors decided to cancel 11 million shares representing non-allocated treasury stock (i.e. 2.5% of the Group's capital).

The Group is rated AA- by Standard & Poor's and AA- by Fitch. On January 6<sup>th</sup> 2005, Moody's upgraded the Group to Aa2, emphasising in particular the Group's consistent control of operating expenses and risk management. Société Générale ranks amongst the highest rated banking groups.

### 3. RETAIL BANKING AND FINANCIAL SERVICES

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#### French Networks

<i>In EUR million</i>	2004	Change vs. 2003	Q4 04	Change vs. Q4 03
Net banking income	5,865	+3.9%	1,515	+3.5%
Operating expenses	-4,042	+3.2%	-1,027	+3.7%
Gross operating income	1,823	+5.4%	488	+3.0%
Net allocation to provisions	-291	-12.1%	-75	-25.0%
Operating income	1,532	+9.5%	413	+10.4%
Net income	965	+9.9%	264	+11.9%

	2004	2003	Q4 04	Q4 03
ROE after tax	20.3%	19.7%	21.7%	20.7%

The environment for the domestic retail banking business remained lacklustre in 2004, due to sluggish economic growth and stiff competition underpinned by 9 national networks, excluding post office branches. There was no improvement in the last quarter. Interest rates reached record lows at the end of the year, and continued to weigh on net interest income.

Notwithstanding this context, the Société Générale and Crédit du Nord networks successfully pursued the expansion of their franchises and maintained revenue growth.

Regarding **individual customers**, the number of current accounts increased by +124,000 over the year, i.e. + 2.2%, despite a nationwide banking penetration rate of almost 100%. The increase stood at +27,000 during the fourth quarter.

216 million contacts were recorded in 2004 (+20% in relation to 2003), representing a 20% increase on 2003, of which 95 million via Internet (+45%). The Société générale and Crédit du Nord networks continue to record stronger demand for remote channels than major competing brands <sup>1</sup>.

Life assurance represented the main priority in terms of savings and investments, with new inflows of EUR 7.3 billion, i.e. +17.5%, compared to an overall market increase of +13%. 75,000 PERP accounts were opened during the year, representing high quality production (average unit amounts of EUR 700). New mortgage loans stood at 12.8 billion euros, up by 8% over the landmark level achieved in 2003, and representing a twofold increase over 2000. The fierce competition required close scrutiny in terms of volume and interest margin. Between early 2000 and the end of

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<sup>1</sup> Source: OPBERBAC 2004.

the second quarter 2004 (the latest data published by Banque de France), the combined outstanding loans of the Group's two brands increased at an annualised rate of 10.4%, above the rate of growth of the market (+8.4%).

The above comment also applies to short-term credit facilities to individual customers: over the same period, the outstanding amount of the latter increased by 7.2% on an annualised basis, versus 5.0% for the market.

Comparable sales dynamism underpinned our drive for **business customers**. The two networks maintained their market share in terms of lending, which has also increased since January 2000. Outstanding loans rose by 2.4% on 2003, against a backdrop of weak demand for investment loans and reduced use of short-term corporate credit facilities, reflecting the favourable cash position of most counterparties.

In financial terms, the two networks recorded a 3.9% increase in NBI in relation to 2003, and 3.5% between the 4<sup>th</sup> quarter of 2004 and the same period in 2003.

Net interest income increased moderately in 2004 (+1% compared to 2003). The positive impact of the strong increase in sight deposits (+7.1%) was consistently offset quarter after quarter by the erosion of the interest margin on deposits due to the continued decline in long-term interest rates.

Commission income increased by 8.1% in 2004, with a sharp rise in financial commissions (+13.1%). The increase in service commissions (+6.5%) includes a small price effect, lower than inflation. Both networks are seeking to maintain the competitive fee structure widely recognised in public surveys.

A tight rein was kept on growth in operating expenses (+3.2% over the year), notwithstanding continued investment – in line with objectives – aimed at improving productivity (consolidation of regional middle and back-office platforms in the Société Générale network) and controlled growth in the number of sales outlets. The increase stood at +3.7% over the quarter compared to the fourth quarter of 2003, including a provision for early retirements scheduled in 2005.

The cost/income ratio declined to 68.9% in 2004, versus 69.4% in 2003.

Gross annual operating income stood at EUR 1,823 million, up 5.4% compared to 2003.

The annual cost of risk declined and stood at 32 basis points in relation to outstanding credits, against 37bps in 2003.

Net income stood at EUR 965 million in 2004, up 9.9% over 2003. It stood at EUR 264 million in the fourth quarter, up 11.9%.

ROE after tax stood at 20.3% in 2004, versus 19.7% in 2003. It stood at 21.7% in the last quarter, compared to 20.7% for the same period in 2003.

## Retail Banking outside France

<i>In EUR million</i>	2004	Change vs. 2003	Q4 04	Change vs. Q4 03
<b>Net banking income</b>	<b>1,979</b>	<b>+16.3%</b>	<b>540</b>	<b>+20.0%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+7.3%</b>		<b>+5.3%</b>
<b>Operating expenses</b>	<b>-1,213</b>	<b>+16.7%</b>	<b>-331</b>	<b>+20.4%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+3.1%</b>		<b>+4.8%</b>
<b>Gross operating income</b>	<b>766</b>	<b>+15.5%</b>	<b>209</b>	<b>+19.4%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+13.6%</b>		<b>+6.1%</b>
<b>Net allocation to provisions</b>	<b>-161</b>	<b>+0.0%</b>	<b>-41</b>	<b>+0.0%</b>
<b>Operating income</b>	<b>605</b>	<b>+20.5%</b>	<b>168</b>	<b>+25.4%</b>
<b>Net income</b>	<b>265</b>	<b>+23.8%</b>	<b>74</b>	<b>+34.5%</b>

	2004	2003	Q4 04	Q4 03
<b>ROE after tax</b>	<b>33.0%</b>	<b>32.1%</b>	<b>33.3%</b>	<b>33.0%</b>

Retail Banking outside France is one of the Group's main growth drivers. Development of this business rests on four underlying principles: investment and/or acquisitions in countries where the local banking market offers strong growth potential, distribution networks suited to local market conditions, with emphasis on long-term customer loyalty, strict risk management, and a well-balanced geographical presence in order to ensure diversification of risk.

In 2004, the main geographical emphasis of this business continued to shift towards Europe: 70% of the arm's 2004 revenue was generated by subsidiaries in member states of the European Union or candidates for EU entry.

External growth continued in 2004, notably with the acquisition of a 50.01% stake in General Bank of Greece and the increase in the stake in the BRD (Development Bank of Romania) to 58.3%. Conversely, disposal of the retail banking business in Argentina, a non-strategic market for the Group, was launched.

Organic growth plans were pursued, with particular emphasis on the European subsidiaries (Czech Republic, Romania, Bulgaria), as well as Russia and Egypt.

The franchise continued to record sustained growth: the arm now provides services to 5.4 million individual customers, of which 3.5 million in Europe. The net increase in 2004 stood at 458,000 when adjusted for changes in group structure (i.e. +10% in relation to end 2003), of which +292,000 in Europe. Outstanding deposits and loans were up sharply by 9.1%\* and 13.4%\* respectively, with a particularly strong increase for individual customers.

This strong sales momentum was accompanied by emphasis on quality of service: Komerční Banka was awarded the "Bank of the Year" Award at the MasterCard Bank of the Year contest in the Czech Republic.

Revenue rose sharply by 7.3%\* between 2003 and 2004 (+16.3% in absolute terms). The annual NBI of the arm stood at EUR 1,979 million, representing 12% of Group NBI, versus 6% in 2000. Over the quarter, the arm's revenue rose by 5.3%\* (+20.0% in absolute terms).

Operating expenses increased moderately (+3.1%\* in relation to 2003), notwithstanding major investment aimed at further growth and productivity (opening of new branches, pooling of IT and electronic payment infrastructure).

Although temporarily penalized by the integration of the new Greek subsidiary, the cost/income ratio remained stable at 61.3% over the year.

The cost of risk was again low, and stood at EUR 161 million in 2004.

Operating income rose by 20.5% over the year.

Net income increased by 23.8% in relation to 2003. ROE after tax was stable at a high level (33.0% in 2004, 33.3% over the quarter).



## Financial Services

<i>In EUR million</i>	2004	Change vs. 2003	Q4 04	Change vs. Q4 03
<b>Net banking income</b>	<b>1,841</b>	<b>+12.7%</b>	<b>512</b>	<b>+8.5%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+9.0%</b>		<b>+4.5%</b>
<b>Operating expenses</b>	<b>-1,091</b>	<b>+6.0%</b>	<b>-302</b>	<b>-1.9%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+2.1%</b>		<b>-5.1%</b>
<b>Gross operating income</b>	<b>750</b>	<b>+24.2%</b>	<b>210</b>	<b>+28.0%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+20.8%</b>		<b>+21.8%</b>
<b>Net allocation to provisions</b>	<b>-137</b>	<b>-11.6%</b>	<b>-31</b>	<b>-29.5%</b>
<b>Operating income</b>	<b>613</b>	<b>+36.5%</b>	<b>179</b>	<b>+49.2%</b>
<b>Net income</b>	<b>385</b>	<b>+35.1%</b>	<b>113</b>	<b>+46.8%</b>

	2004	2003	Q4 04	Q4 03
<b>ROE after tax</b>	<b>15.6%</b>	<b>13.4%</b>	<b>17.8%</b>	<b>14.3%</b>

**The Group's Financial Services activities are mainly comprised of two business lines: Specialised Financing and Life Insurance.**

Similarly to Retail Banking outside France, **Specialised Financing** represents a major area of development for the Group.

Following a series of acquisitions and investments in organic growth pursued in 2004, the business line has become a major diversified player in Europe, undergoing constant expansion. More than 60% of revenue is generated outside France. The three Specialised Financing businesses aimed at corporate customers rank among the top players in Europe.

The Group's consumer credit business has achieved a significant size. Average annual revenue growth has been in excess of 26% since 2000. Despite the hesitant trend of the French market, new loan issuance increased by 10% compared to 2003, with particularly good performance at Franfinance and Fiditalia. Low interest rates underpinned margins on new loans. Outstanding loans increased by 16% for the year. There were two major highlights during the year, namely

- the launch of the business in Russia, and
- the agreement in principle for the acquisition in the last quarter of a 75% stake in Hanseatic Bank, the banking subsidiary of OTTO, the German mail order company ; the integration of Hanseatic Bank, the fourth largest specialist player in the German consumer credit market, will double the Group's outstanding consumer loans in Germany.

Regarding the vendor and equipment finance business, the production of SG Equipment Finance in Europe slightly increased in 2004, as strong performance in

Eastern Europe offset weak demand in Western Europe. The cost of risk remained favourable. SG Equipment Finance pursued its growth strategy over the year, with the acquisition of the leasing and factoring businesses of Elcon Finans, the leading Norwegian player.

In operational vehicle leasing and fleet management, ALD Automotive pursued the expansion of its international network in 2004, with the establishment of entities in Switzerland, Ukraine, Russia, Romania, Croatia, Slovenia, the Baltic countries and Egypt. In the last quarter, ALD acquired FleetPartner Nordic, a Swedish company managing a fleet of 2,300 vehicles. With a fleet of 558,000 vehicles at end 2004 (+10% compared to end 2003), ALD International ranks as the third largest European player (n°2 in terms of outstandings).

The production of ECS, the leading European player in IT asset leasing and management, was up 6% in relation to 2003, driven by its overseas business, particularly in Spain, where ECS acquired the local subsidiary of the Parsys Group.

Overall, revenue generated by the **Specialised Financing** business line rose by 7%\* in relation to 2003. ROE after tax stood at 18.7% for the year.

In the **Life Insurance** business, SOGECAP recorded a 17% increase in premium income in relation to 2003, which already represented a high base, above the average increase for the bancassurance sector in France (+14.4%). Its share of the bancassurance market therefore stood at 14.3% in terms of sales. Annual net banking income of the Life Insurance business rose by 26%\* compared to 2003.

Overall, the **Financial Services arm** notched up 36.5% growth in annual operating income. Its ROE after tax stood at 15.6% in 2004, versus 13.4% in 2003.

Over the quarter, the arm's operating income rose by 49.2% and ROE after tax stood at 17.8% versus 14.3% for the same period in 2003.

#### 4. GLOBAL INVESTMENT MANAGEMENT & SERVICES

<i>In EUR million</i>	2004	Change vs. 2003	Q4 04	Change vs. Q4 03
<b>Net banking income</b>	<b>2,266</b>	<b>+14.3%</b>	<b>629</b>	<b>+11.3%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+15.7%</b>		<b>+13.8%</b>
<b>Operating expenses</b>	<b>-1,631</b>	<b>+7.9%</b>	<b>-441</b>	<b>+9.7%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+9.8%</b>		<b>+12.2%</b>
<b>Operating income</b>	<b>627</b>	<b>+36.6%</b>	<b>191</b>	<b>+22.4%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+36.6%</b>		<b>+25.0%</b>
<b>Net income</b>	<b>392</b>	<b>+35.2%</b>	<b>117</b>	<b>+30.0%</b>

<i>In EUR billion</i>	2004	2003	Q4 04	Q4 03
<b>Net new money over period</b>	<b>24.8</b>	<b>10.3</b>	<b>3.7</b>	<b>2.2</b>
<b>Assets under management (at end of period)</b>	<b>315</b>	<b>284</b>	<b>315</b>	<b>284</b>

The Global Investment Management & Services arm includes asset management (SG AM), private banking (SG Private Banking), as well as securities businesses (SG GSSI) and on-line brokerage (Boursorama).

The arm displayed strong growth momentum: net inflows stood at a record level of EUR 24.8 billion over the year, i.e. more than double the level achieved last year. At December 31st 2004, assets under management stood at EUR 315 billion; this outstanding amount does not include assets managed by Lyxor Asset Management (EUR 43.3 billion at December 31 2004), whose results are consolidated under the Equity and Advisory business line, nor the assets of customers managed directly by the French networks (approximately EUR 70 billion held by customers with investible assets exceeding EUR 150,000). Assets under custody at SG GSSI stood at EUR 1,115 billion at December 31 2004, up 9% over the year. The number of lots handled by Fimat rose sharply in 2004 to 600 million contracts (+23% compared to 2003).

The arm's financial results also showed a sharp improvement, with operating income up 36.6%\* on 2003 (+36.6% in absolute terms), and the cost/income ratio down sharply by over 4 points at 72.0%. Net income stood at EUR 392 million, up 35.2%. Over the quarter, net income rose by 30.0% to stand at EUR 117 million.

## **Asset Management**

SG AM is a global player with a strong positioning in the world's four main investment regions.

In 2004, SG AM pursued its growth strategy based on the development of an innovative offering (notably in alternative management and high alpha products), and the harnessing of growth drivers in the form of partnerships: in Asia, SG AM strengthened its presence through the acquisition of Resona AM, the investment management subsidiary of the 5<sup>th</sup> largest Japanese banking group and joint-venture agreements with IBK the Korean group and State Bank of India, India's largest banking group; overall, with its presence in China, SG AM has direct access to 350 million potential new individual clients in Asia.

SGAM's expertise is recognised and it was designated best Asset Manager by institutional investors for the second year running<sup>1</sup>.

Net inflows of new money for 2004 tripled in relation to 2003, to stand at EUR 19.9 billion, with EUR 6.7 billion of this total invested in equity and diversified funds and EUR 3.2 billion invested in alternative management vehicles; TCW made a particularly strong contribution (EUR 9.4 billion). Cross-selling between the various platforms accounted for EUR 6.7 billion. In the fourth quarter, net inflows stood at EUR 2.8 billion, up EUR 1.3 billion over the fourth quarter of 2003.

Overall, assets under management at SGAM stood at almost EUR 267 billion at end 2004, versus EUR 239 billion at end 2003, despite negative currency impact of EUR 6.9 billion.

Net banking income was up sharply by 18.8%\* on 2003.

The rise in operating expenses compared to 2003 (+13.9%\*) remained well below that of revenue.

Annual operating income rose by 28.2%\* on 2003. Over the quarter the increase stood at 33.0%\*.

## **Private Banking**

The business line continued its sustained sales drive with strong asset gathering over the period: EUR +4.9 billion over 2004 (representing growth in new money equivalent to 11% of assets under management). Over the quarter, net inflows stood at EUR 0.9 billion, up EUR 0.2 billion over the fourth quarter of 2003.

Overall, assets under management stood at EUR 48.4 billion <sup>2</sup> at end 2004, versus EUR 45.1 billion at end 2003, despite negative currency impact of EUR 1.3 billion. Structured products recorded strong growth in assets under management.

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<sup>1</sup> Source : Amadeis.

<sup>2</sup> Excluding assets of customers managed directly by the French networks (approximately EUR 70 billion held by customers with investible assets exceeding EUR 150,000).

The business line recorded a sharp increase in net banking income over the year (+15.8%\* over 2003). Despite the impact of additions to the sales teams and IT projects in Switzerland and Asia, operating expenses rose moderately in 2004 (+8.7%\* compared to 2003).

Operating income recorded a strong increase (+30.1%\* on 2003). The increase in operating income over the quarter stood at 12.0%\* in relation to the fourth quarter of 2003.

### **SG GSSI and Boursorama**

Despite a relatively unfavourable market environment, client-driven activity continued to record sustained growth. The **brokerage arm of SG GSSI** confirmed its strong positioning (global market share of 5.1%<sup>1</sup> in execution and clearing on listed derivative products in the fourth quarter). The number of funds administered by the **Investor sub-division of SG GSSI** rose by 13% over one year. **Boursorama** successfully implemented its diversification strategy aimed at collecting savings, particularly via UCITS.

Net banking income in the business line rose by 11.5%\* on 2003.

Operating expenses increased less than revenue (+6.5%\* on 2003), despite non-recurrent expenses due to rationalisation.

Operating income doubled\* compared to 2003. Over the quarter, operating income was down 13.3%\*, but up sharply excluding non-recurrent expenses.

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<sup>1</sup> On major derivatives exchanges of which FIMAT is a member.

## 5. CORPORATE & INVESTMENT BANKING

<i>In EUR million</i>	2004	Change vs. 2003	Q4 04	Change vs. Q4 03
<b>Net banking income</b>	<b>4,697</b>	<b>-0.8%</b>	<b>1,216</b>	<b>+14.4%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+1.6%</b>		<b>+17.5%</b>
<b>Operating expenses</b>	<b>-2,887</b>	<b>-0.9%</b>	<b>-746</b>	<b>+0.3%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+1.3%</b>		<b>+2.8%</b>
<b>Gross operating income</b>	<b>1,810</b>	<b>-0.6%</b>	<b>470</b>	<b>+47.3%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+2.1%</b>		<b>+52.1%</b>
<b>Net allocation to provisions</b>	<b>60</b>	<b>-111.8%</b>	<b>37</b>	<b>+131.3%</b>
<b>Operating income</b>	<b>1,870</b>	<b>+42.6%</b>	<b>507</b>	<b>+51.3%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+47.2%</b>		<b>+56.5%</b>
<b>Net income</b>	<b>1,459</b>	<b>+38.7%</b>	<b>411</b>	<b>+47.8%</b>

  

	2004	2003	Q4 04	Q4 03
<b>ROE after tax</b>	<b>41.4%</b>	<b>30.1%</b>	<b>44.8%</b>	<b>31.5%</b>

The contribution of the Corporate & Investment Banking arm to the Group's net income increased sharply over the year to EUR 1,459 million (+38.7% compared to 2003). In the fourth quarter, net income increased to EUR 411 million (+47.8% compared to the fourth quarter of 2003).

The Corporate & Investment Banking arm posted profitability in excess of 30% after tax for the seventh consecutive quarter: in the fourth quarter of 2004, ROE after tax came out at 44.8%, vs. 31.5% for the same period in 2003. After-tax ROE for 2004 stood at an extremely high level of 41.4% compared to 30.1% in 2003.

This performance was mainly achieved through the drive for increasing and diversifying revenue from client-driven activity. As part of this strategy the Corporate & Investment Banking arm has implemented a plan based on several initiatives in high growth areas, involving a selective recruitment policy.

These results also reflect the strong performance of the Corporate & Investment Banking arm:

- **worldwide:** the performance of the equity derivatives business in 2004 was recognised by three major awards from The Banker, IFR and Risk Magazine; the business again won the Trade Finance magazine award for best global arranger in export finance and number one structured financing arranger worldwide in commodity finance;
- **and in Europe,** with strengthened leadership in its target businesses (No.5 in the euro debt market and No.1 in Spain, number three project finance arranger in

Europe), and in France where SG CIB ranks as the top player in debt and equity capital markets and number 1 for equity research (Extel).

In a more challenging market environment than in 2003, the **Corporate and Fixed Income** business recorded a moderate 3.1%\* decline in revenue compared to 2003, representing a high base. Activity was strong in structured finance, debt capital markets and client-driven deals in the Corporate and Fixed Income business. This partially offset the expected decline in revenue from the treasury business which nonetheless remained satisfactory.

The results of the **Equity and Advisory** arm were up sharply in 2004 (+8.8%\* on 2003). The Equity derivatives business recorded outstanding performance, up on 2003 both in client-driven and proprietary business. Cash Equity and Advisory business was also satisfactory in the primary market and there was a pick-up in average secondary market volume in 2004 despite the impact of weakness in the convertible bond market in France and in Europe compared to 2003. Fourth quarter revenue includes the positive impact of the disposal of the Private Equity Europe portfolio (EUR 37 million).

Overall, the net banking income of the **Corporate & Investment Banking** arm was up 1.6%\* on 2003. Net banking income rose sharply over the quarter, (+17.5%\* compared to the fourth quarter of 2003), with all segments contributing to the increase.

The division's operating expenses increased by 1.3%\* compared to 2003: this increase reflects the full impact of cost-cutting plans completed in 2003 and cost control, while the division pursued targeted investment in line with its strategy. Over the quarter the division's operating expenses increased by 2.8%\* compared to the fourth quarter of 2003.

The cost/income ratio came out at a low level of 61.5% in 2004, i.e. the same as 2003, and at 61.3% in the fourth quarter.

Consequently gross operating income rose by 2.1%\* on 2003. Over the quarter, this increase came out at 52.1%\* compared to the fourth quarter of 2003.

In a very favourable credit risk environment, the Corporate & Investment Banking arm booked a net write-back of provisions of EUR 60 million for the year and EUR 37 million over the quarter. Very few provisions were booked on new loans; a write-back was booked on specific provisions, either due to favourable developments in counterparties' financial position, or because the credit was repaid or sold under the bank's policy of actively managing its loan book. No write-back was booked on general credit risk reserves in the United States and in Europe.

A tight rein was kept on market risks: average VaR remained at a moderate level of EUR 24.5 million over the year, vs. EUR 23.7 million in 2003, and EUR 21.4 million over the quarter (vs. EUR 24.3 million in the fourth quarter of 2003).

## 6. CORPORATE CENTRE

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The Corporate Centre made a negative contribution of EUR 341 million in 2004, after recognising a goodwill amortisation charge of EUR 186 million.

The policy of reducing the industrial equity portfolio was pursued in 2004. At December 31<sup>st</sup> 2004, the net book value of the portfolio stood at EUR 1.6 billion (vs. EUR 2.6 billion at December 31<sup>st</sup> 2003), representing an unrealised capital gain of EUR 0.3 billion.

### **Schedule for publication of results under IAS standards**

On September 27 2004, the Group made a presentation on the schedule for changeover to IFRS standards.

2004 financial statements audited under IFRS standards will be released on March 10 2005.

Results for the first quarter of 2005 and the opening balance sheet at January 1 2005 will be released under IFRS standards (including IAS 32 and 39) on May 25 2005.

This document contains a number of forecasts and comments relating to the targets and strategies of the Société Générale Group.

These forecasts are based on a series of assumptions, both general and specific. As a result, there is a risk that these projections will not be met. Readers are therefore advised not to rely on these figures more than is justified as the Group's future results are liable to be affected by a number of factors and may therefore differ from current estimates.

Readers are advised to take into account factors of uncertainty and risk when basing their investment decisions on information provided in this document.



## SUPPLEMENTS

CONSOLIDATED INCOME STATEMENT (in millions of euros)	Full year				Fourth quarter			
	2004	2003	Change 04/03		2004	2003	Change Q4/Q4	
Net banking income	16,416	15,637	5.0%	+4.7%(*)	4,320	3,920	+10.2%	+9.4%(*)
Operating expenses	(10,967)	(10,568)	3.8%	+2.9%(*)	(2,869)	(2,801)	+2.4%	+1.6%(*)
<b>Gross operating income</b>	<b>5,449</b>	<b>5,069</b>	<b>7.5%</b>	<b>+8.4%(*)</b>	<b>1,451</b>	<b>1,119</b>	<b>+29.7%</b>	<b>+28.8%(*)</b>
Net allocation to provisions	(541)	(1,226)	-55.9%	-56.3%(*)	(104)	(181)	-42.5%	-45.2%(*)
<b>Operating income</b>	<b>4,908</b>	<b>3,843</b>	<b>27.7%</b>	<b>+29.3%(*)</b>	<b>1,347</b>	<b>938</b>	<b>+43.6%</b>	<b>+43.0%(*)</b>
Net income from long-term investments	119	397	-70.0%		(27)	125	NM	
Net income from companies accounted for by the equity method	42	43	-2.3%		15	15	+0.0%	
Exceptional items	(20)	(150)	-86.7%		0	0	NM	
Amortisation of goodwill	(186)	(217)	-14.3%		(43)	(72)	-40.3%	
Income tax	(1,398)	(1,161)	20.4%		(355)	(288)	+23.3%	
<b>Net income before minority interests</b>	<b>3,465</b>	<b>2,755</b>	<b>25.8%</b>		<b>937</b>	<b>718</b>	<b>+30.5%</b>	
Minority interests	(340)	(263)	29.3%		(101)	(74)	+36.5%	
<b>Net income</b>	<b>3,125</b>	<b>2,492</b>	<b>25.4%</b>		<b>836</b>	<b>644</b>	<b>+29.8%</b>	
Annualised Group ROE after tax (%)	18.9%	16.2%			19.6%	16.4%		
Tier-one ratio at end of period	8.5%	8.7%			8.5%	8.7%		

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

NET INCOME AFTER TAX BY CORE BUSINESS (in millions of euros)	Full year			Fourth quarter		
	2004	2003	Change 04/03	2004	2003	Change Q4/Q4
<b>Retail Banking &amp; Financial Services</b>	<b>1,615</b>	<b>1,377</b>	<b>17.3%</b>	<b>451</b>	<b>368</b>	<b>+22.6%</b>
o.w. French Networks	965	878	9.9%	264	236	+11.9%
o.w. Financial Services	385	285	35.1%	113	77	+46.8%
o.w. Retail Banking outside France	265	214	23.8%	74	55	+34.5%
<b>Global Investment Management</b>	<b>392</b>	<b>290</b>	<b>35.2%</b>	<b>117</b>	<b>90</b>	<b>+30.0%</b>
o.w. Asset Management	234	188	24.5%	83	61	+36.1%
o.w. Private Banking	92	67	37.3%	21	19	+10.5%
o.w. GSSI + Boursorama	66	35	88.6%	13	10	+30.0%
<b>Corporate &amp; Investment Banking</b>	<b>1,459</b>	<b>1,052</b>	<b>38.7%</b>	<b>411</b>	<b>278</b>	<b>+47.8%</b>
o.w. Equity & Advisory	483	374	29.1%	112	36	NM
o.w. Corporate Banking & Fixed Income	976	678	44.0%	299	242	+23.6%
<b>CORE BUSINESSES</b>	<b>3,466</b>	<b>2,719</b>	<b>27.5%</b>	<b>979</b>	<b>736</b>	<b>+33.0%</b>
<b>Corporate Centre</b>	<b>(341)</b>	<b>(227)</b>	<b>50.3%</b>	<b>(143)</b>	<b>(92)</b>	<b>+55.6%</b>
<b>GROUP</b>	<b>3,125</b>	<b>2,492</b>	<b>25.4%</b>	<b>836</b>	<b>644</b>	<b>+29.8%</b>

## QUARTERLY RESULTS BY CORE BUSINESS

	2002				2003				2004			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<i>(in millions of euros)</i>												
<b>Retail Banking &amp; Financial Services</b>												
Net banking income	2,116	2,051	2,086	2,194	2,113	2,241	2,240	2,386	2,277	2,427	2,414	2,567
Operating expenses	-1,435	-1,422	-1,392	-1,443	-1,465	-1,487	-1,458	-1,573	-1,519	-1,595	-1,572	-1,660
Gross operating income	681	629	694	751	648	754	782	813	758	832	842	907
Net allocation to provisions	-165	-151	-149	-184	-134	-157	-171	-185	-151	-154	-137	-147
Operating income	516	478	545	567	514	597	611	628	607	678	705	760
Net income from long-term investments	1	-7	29	-2	-2	3	2	3	27	-3	4	5
Net income from companies accounted for by the equity method	3	7	4	0	4	4	3	2	2	2	1	0
Income tax	-177	-161	-192	-193	-175	-205	-209	-216	-218	-233	-241	-263
Net income before minority interests	343	317	386	372	341	399	407	417	418	444	469	502
Minority interests	-42	-40	-52	-41	-44	-46	-48	-49	-53	-58	-56	-51
Net income	301	277	334	331	297	353	359	368	365	386	413	451
Average allocated capital	6,779	6,752	6,782	6,817	7,120	7,229	7,354	7,388	7,619	7,885	8,073	8,293
<b>o.w. French networks</b>												
Net banking income	1,321	1,358	1,335	1,400	1,349	1,413	1,419	1,464	1,436	1,465	1,449	1,515
Operating expenses	-947	-961	-943	-955	-971	-982	-972	-990	-1,006	-1,018	-991	-1,027
Gross operating income	374	397	392	445	378	431	447	474	430	447	458	488
Net allocation to provisions	-64	-73	-72	-88	-66	-76	-89	-100	-71	-76	-69	-75
Operating income	310	324	320	357	312	355	358	374	359	371	389	413
Net income from long-term investments	0	0	7	5	1	4	0	4	7	-2	4	9
Net income from companies accounted for by the equity method	0	1	1	0	1	1	0	1	1	0	0	1
Income tax	-107	-115	-109	-127	-109	-126	-125	-133	-128	-130	-137	-147
Net income before minority interests	203	210	219	235	205	234	233	246	239	239	256	276
Minority interests	-12	-10	-9	-9	-11	-11	-8	-10	-12	-10	-11	-12
Net income	191	200	210	226	194	223	225	236	227	229	245	264
Average allocated capital	4,292	4,275	4,264	4,285	4,368	4,463	4,548	4,568	4,649	4,747	4,812	4,871
<b>o.w. Financial Services</b>												
Net banking income	353	301	342	362	376	395	390	472	423	452	454	512
Operating expenses	-220	-221	-207	-233	-244	-246	-231	-308	-254	-265	-270	-302
Gross operating income	133	80	135	129	132	149	159	164	169	187	184	210
Net allocation to provisions	-38	-31	-30	-36	-33	-39	-39	-44	-37	-37	-32	-31
Operating income	95	49	105	93	99	110	120	120	132	150	152	179
Net income from long-term investments	0	0	19	0	0	0	0	-1	0	0	0	-1
Net income from companies accounted for by the equity method	0	0	0	0	0	0	0	0	0	0	0	0
Income tax	-36	-17	-46	-33	-36	-40	-43	-43	-48	-54	-54	-64
Net income before minority interests	59	32	78	60	63	70	77	76	84	96	98	114
Minority interests	1	-2	0	-2	-3	1	0	1	-1	-2	-3	-1
Net income	60	30	78	58	60	71	77	77	83	94	95	113
Average allocated capital	1,844	1,851	1,896	1,907	2,086	2,118	2,153	2,153	2,294	2,335	2,425	2,534
<b>o.w. Retail Banking outside France</b>												
Net banking income	442	392	409	432	388	433	431	450	418	510	511	540
Operating expenses	-268	-240	-242	-255	-250	-259	-255	-275	-259	-312	-311	-331
Gross operating income	174	152	167	177	138	174	176	175	159	198	200	209
Net allocation to provisions	-63	-47	-47	-60	-35	-42	-43	-41	-43	-41	-36	-41
Operating income	111	105	120	117	103	132	133	134	116	157	164	168
Net income from long-term investments	1	-7	3	-7	-3	-1	2	0	20	-1	0	-3
Net income from companies accounted for by the equity method	3	6	3	0	3	3	3	1	1	2	1	-1
Income tax	-34	-29	-37	-33	-30	-39	-41	-40	-42	-49	-50	-52
Net income before minority interests	81	75	89	77	73	95	97	95	95	109	115	112
Minority interests	-31	-28	-43	-30	-30	-36	-40	-40	-40	-46	-42	-38
Net income	50	47	46	47	43	59	57	55	55	63	73	74
Average allocated capital	643	626	622	625	666	648	653	667	676	803	836	888

	2002				2003				2004			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>Global Investment Management &amp; Services</b>												
Net banking income	498	510	470	503	439	478	501	565	545	551	541	629
Operating expenses	-374	-383	-361	-363	-355	-368	-386	-402	-394	-399	-397	-441
Gross operating income	124	127	109	140	84	110	115	163	151	152	144	188
Net allocation to provisions	-1	0	-1	-13	0	-6	0	-7	0	-5	-6	3
Operating income	123	127	108	127	84	104	115	156	151	147	138	191
Net income from long-term investments	0	0	-1	-8	-1	0	-1	-8	0	1	-2	3
Net income from companies accounted for by the equity method	0	0	0	0	0	0	0	0	0	0	0	0
Income tax	-40	-40	-36	-37	-25	-33	-34	-46	-45	-44	-43	-61
Net income before minority interests	83	87	71	82	58	71	80	102	106	104	93	133
Minority interests	-5	-4	-2	-2	1	-5	-5	-12	-10	-7	-11	-16
Net income	78	83	69	80	59	66	75	90	96	97	82	117
Average allocated capital	495	565	558	540	552	607	659	685	718	806	858	809
<b>o.w. Asset Management</b>												
Net banking income	254	253	220	260	200	211	222	278	230	239	253	326
Operating expenses	-166	-169	-151	-156	-140	-139	-143	-161	-148	-152	-157	-182
Gross operating income	88	84	69	104	60	72	79	117	82	87	96	144
Net allocation to provisions	0	0	0	-8	0	0	0	-2	0	0	-5	5
Operating income	88	84	69	96	60	72	79	115	82	87	91	149
Net income from long-term investments	-1	0	-1	-8	-1	0	-1	-9	0	1	-1	-2
Net income from companies accounted for by the equity method	0	0	0	0	0	0	0	0	0	0	0	0
Income tax	-30	-28	-23	-30	-20	-25	-26	-36	-28	-30	-30	-50
Net income before minority interests	57	56	45	58	39	47	52	70	54	58	60	97
Minority interests	-6	-5	-2	-2	-1	-5	-5	-9	-6	-6	-9	-14
Net income	51	51	43	56	38	42	47	61	48	52	51	83
Average allocated capital	195	234	227	227	224	226	248	250	264	329	370	337
<b>o.w. Private Banking</b>												
Net banking income	86	85	81	85	80	80	103	112	122	114	109	118
Operating expenses	-66	-68	-65	-70	-63	-65	-75	-87	-82	-81	-81	-88
Gross operating income	20	17	16	15	17	15	28	25	40	33	28	30
Net allocation to provisions	0	0	-5	-3	0	0	0	0	0	-4	-2	-2
Operating income	20	17	11	12	17	15	28	25	40	29	26	28
Net income from long-term investments	0	0	0	0	0	0	0	0	0	0	-1	0
Net income from companies accounted for by the equity method	0	0	0	0	0	0	0	0	0	0	0	0
Income tax	-4	-3	-3	-1	-3	-2	-5	-4	-8	-5	-5	-5
Net income before minority interests	16	14	8	11	14	13	23	21	32	24	20	23
Minority interests	0	0	0	0	0	0	-2	-2	-2	-1	-2	-2
Net income	16	14	8	11	14	13	21	19	30	23	18	21
Average allocated capital	150	151	154	151	157	164	182	219	232	250	265	266
<b>o.w. GSSI &amp; Boursorama</b>												
Net banking income	158	172	169	158	159	187	176	175	193	198	179	185
Operating expenses	-142	-146	-145	-137	-152	-164	-168	-154	-164	-166	-159	-171
Gross operating income	16	26	24	21	7	23	8	21	29	32	20	14
Net allocation to provisions	-1	0	4	-2	0	-6	0	-5	0	-1	1	0
Operating income	15	26	28	19	7	17	8	16	29	31	21	14
Net income from long-term investments	1	0	0	0	0	0	0	1	0	0	0	5
Net income from companies accounted for by the equity method	0	0	0	0	0	0	0	0	0	0	0	0
Income tax	-6	-9	-10	-6	-2	-6	-3	-6	-9	-9	-8	-6
Net income before minority interests	10	17	18	13	5	11	5	11	20	22	13	13
Minority interests	1	1	0	0	2	0	2	-1	-2	0	0	0
Net income	11	18	18	13	7	11	7	10	18	22	13	13
Average allocated capital	150	180	177	162	171	217	229	216	222	227	223	206

	2002				2003				2004			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>Corporate and Investment Banking</b>												
Net banking income	1,171	1,263	883	1,047	1,091	1,364	1,216	1,063	1,174	1,104	1,203	1,216
Operating expenses	-812	-845	-669	-813	-675	-763	-731	-744	-705	-681	-755	-746
Gross operating income	359	418	214	234	416	601	485	319	469	423	448	470
Net allocation to provisions	-154	-164	-191	-211	-186	-201	-139	16	-48	34	37	37
Operating income	205	254	23	23	230	400	346	335	421	457	485	507
Net income from long-term investments	-2	-25	3	48	0	1	2	24	2	-1	2	13
Net income from companies accounted for by the equity method	0	6	0	12	1	6	2	8	1	10	3	14
Income tax	-42	-53	39	-1	-39	-95	-74	-87	-102	-111	-114	-122
Net income before minority interests	161	182	65	82	192	312	276	280	322	355	376	412
Minority interests	-3	-6	-6	-5	-1	-3	-2	-2	-2	-1	-2	-1
Net income	158	176	59	77	191	309	274	278	320	354	374	411
Average allocated capital	3,634	3,590	3,646	3,698	3,605	3,612	3,609	3,529	3,524	3,581	3,620	3,666
<b>o.w. Equity and Advisory</b>												
Net banking income	491	524	226	341	369	562	505	428	435	511	555	498
Operating expenses	-411	-422	-288	-397	-281	-342	-358	-348	-306	-320	-364	-326
Gross operating income	80	102	-62	-56	88	220	147	80	129	191	191	172
Net allocation to provisions	0	0	-5	-13	0	-10	0	-27	-31	0	-1	-14
Operating income	80	102	-67	-69	88	210	147	53	98	191	190	158
Net income from long-term investments	0	-12	0	-4	-2	0	0	0	0	-2	0	0
Net income from companies accounted for by the equity method	0	0	0	0	0	0	0	0	0	0	0	1
Income tax	-24	-27	37	47	-16	-59	-30	-17	-19	-47	-40	-47
Net income before minority interests	56	63	-30	-26	70	151	117	36	79	142	150	112
Minority interests	0	0	0	0	0	0	0	0	0	0	0	0
Net income	56	63	-30	-26	70	151	117	36	79	142	150	112
Average allocated capital	492	483	466	426	407	407	403	404	428	445	434	378
<b>o.w. Corporate Banking and Fixed Income</b>												
Net banking income	680	739	657	706	722	802	711	635	739	593	648	718
Operating expenses	-401	-423	-381	-416	-394	-421	-373	-396	-399	-361	-391	-420
Gross operating income	279	316	276	290	328	381	338	239	340	232	257	298
Net allocation to provisions	-154	-164	-186	-198	-186	-191	-139	43	-17	34	38	51
Operating income	125	152	90	92	142	190	199	282	323	266	295	349
Net income from long-term investments	-2	-13	3	52	2	1	2	24	2	1	2	13
Net income from companies accounted for by the equity method	0	6	0	12	1	6	2	8	1	10	3	13
Income tax	-18	-26	2	-48	-23	-36	-44	-70	-83	-64	-74	-75
Net income before minority interests	105	119	95	108	122	161	159	244	243	213	226	300
Minority interests	-3	-6	-6	-5	-1	-3	-2	-2	-2	-1	-2	-1
Net income	102	113	89	103	121	158	157	242	241	212	224	299
Average allocated capital	3,142	3,107	3,180	3,272	3,198	3,205	3,206	3,125	3,096	3,136	3,186	3,288
<b>Corporate Centre</b>												
Net banking income	-81	28	-118	-48	106	23	-95	-94	-38	-21	-81	-92
Operating expenses	-45	-69	-21	-79	-24	-34	-21	-82	-38	-30	-13	-22
Gross operating income	-126	-41	-139	-127	82	-11	-116	-176	-76	-51	-94	-114
Net allocation to provisions	34	28	16	5	-10	-13	-28	-5	1	-1	-7	3
Operating income	-92	-13	-123	-122	72	-24	-144	-181	-75	-52	-101	-111
Net income from long-term investments	68	-99	-268	-36	-109	235	142	106	166	-13	-37	-48
Net income from companies accounted for by the equity method	-4	-10	19	11	5	2	1	5	1	1	6	1
Exceptional items	-2	-2	-4	-3	0	-150	0	0	-20	0	0	0
Amortisation of goodwill	-39	-62	-45	-38	-40	-60	-45	-72	-41	-63	-39	-43
Income tax	53	56	101	74	20	-25	21	61	-1	56	53	91
Net income before minority interests	-16	-130	-320	-114	-52	-22	-25	-81	30	-71	-118	-110
Minority interests	-10	-30	4	-10	-12	-11	-13	-11	-10	-17	-12	-33
Net income	-26	-160	-316	-124	-64	-33	-38	-92	20	-88	-130	-143
Average allocated capital	4,186	4,408	4,330	4,001	3,501	3,561	3,833	4,111	4,183	4,116	4,193	4,320

GROUP	2002				2003				2004			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net banking income	3,704	3,852	3,321	3,696	3,749	4,106	3,862	3,920	3,958	4,061	4,077	4,320
Operating expenses	-2,666	-2,719	-2,443	-2,698	-2,519	-2,652	-2,596	-2,801	-2,656	-2,705	-2,737	-2,869
Gross operating income	1,038	1,133	878	998	1,230	1,454	1,266	1,119	1,302	1,356	1,340	1,451
Net allocation to provisions	-286	-287	-325	-403	-330	-377	-338	-181	-198	-126	-113	-104
Operating income	752	846	553	595	900	1,077	928	938	1,104	1,230	1,227	1,347
Net income from long-term investments	67	-131	-237	2	-112	239	145	125	195	-16	-33	-27
Net income from companies accounted for by the equity method	-1	3	23	23	10	12	6	15	4	13	10	15
Exceptional items	-2	-2	-4	-3	0	-150	0	0	-20	0	0	0
Amortisation of goodwill	-39	-62	-45	-38	-40	-60	-45	-72	-41	-63	-39	-43
Income tax	-206	-198	-88	-157	-219	-358	-296	-288	-366	-332	-345	-355
Net income before minority interests	571	456	202	422	539	760	738	718	876	832	820	937
Minority interests	-60	-80	-56	-58	-56	-65	-68	-74	-75	-83	-81	-101
Net income	511	376	146	364	483	695	670	644	801	749	739	836
Average allocated capital	15,094	15,315	15,316	15,056	14,778	15,009	15,455	15,713	16,044	16,388	16,744	17,088

## QUARTERLY NET INCOME BY CORE BUSINESS

(in millions of euros)	2002				2003				2004			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>Retail Banking &amp; Financial Services</b>	<b>301</b>	<b>277</b>	<b>334</b>	<b>331</b>	<b>297</b>	<b>353</b>	<b>359</b>	<b>368</b>	<b>365</b>	<b>386</b>	<b>413</b>	<b>451</b>
French Networks	191	200	210	226	194	223	225	236	227	229	245	264
Financial Services	60	30	78	58	60	71	77	77	83	94	95	113
Retail Banking outside France	50	47	46	47	43	59	57	55	55	63	73	74
<b>GIMS</b>	<b>78</b>	<b>83</b>	<b>69</b>	<b>80</b>	<b>59</b>	<b>66</b>	<b>75</b>	<b>90</b>	<b>96</b>	<b>97</b>	<b>82</b>	<b>117</b>
Asset management	51	51	43	56	38	42	47	61	48	52	51	83
Private Banking	16	14	8	11	14	13	21	19	30	23	18	21
GSSI + Boursorama	11	18	18	13	7	11	7	10	18	22	13	13
<b>Corporate &amp; Investment Banking</b>	<b>158</b>	<b>176</b>	<b>59</b>	<b>77</b>	<b>191</b>	<b>309</b>	<b>274</b>	<b>278</b>	<b>320</b>	<b>354</b>	<b>374</b>	<b>411</b>
Equity & Advisory	56	63	-30	-26	70	151	117	36	79	142	150	112
Corporate Banking & Fixed Income	102	113	89	103	121	158	157	242	241	212	224	299
<b>CORE BUSINESSES</b>	<b>537</b>	<b>536</b>	<b>462</b>	<b>488</b>	<b>547</b>	<b>728</b>	<b>708</b>	<b>736</b>	<b>781</b>	<b>837</b>	<b>869</b>	<b>979</b>
<b>Corporate Centre</b>	<b>-26</b>	<b>-160</b>	<b>-316</b>	<b>-124</b>	<b>-64</b>	<b>-33</b>	<b>-38</b>	<b>-92</b>	<b>20</b>	<b>-88</b>	<b>-130</b>	<b>-143</b>
<b>GROUP</b>	<b>511</b>	<b>376</b>	<b>146</b>	<b>364</b>	<b>483</b>	<b>695</b>	<b>670</b>	<b>644</b>	<b>801</b>	<b>749</b>	<b>739</b>	<b>836</b>

## QUARTERLY NET INCOME BY CORE BUSINESS

(%)	2002				2003				2004			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>Retail Banking &amp; Financial Services</b>	<b>17.8%</b>	<b>16.4%</b>	<b>19.7%</b>	<b>19.4%</b>	<b>16.7%</b>	<b>19.5%</b>	<b>19.5%</b>	<b>19.9%</b>	<b>19.2%</b>	<b>19.6%</b>	<b>20.5%</b>	<b>21.8%</b>
French Networks	17.8%	18.7%	19.7%	21.1%	17.8%	20.0%	19.8%	20.7%	19.5%	19.3%	20.4%	21.7%
Financial Services	13.0%	6.5%	16.5%	12.2%	11.5%	13.4%	14.3%	14.3%	14.5%	16.1%	15.7%	17.8%
Retail Banking outside France	31.1%	30.0%	29.6%	30.1%	25.8%	36.4%	34.9%	33.0%	32.5%	31.4%	34.9%	33.3%
<b>GIMS</b>	<b>63.0%</b>	<b>58.8%</b>	<b>49.5%</b>	<b>59.3%</b>	<b>42.8%</b>	<b>43.5%</b>	<b>45.5%</b>	<b>52.6%</b>	<b>53.5%</b>	<b>48.1%</b>	<b>38.2%</b>	<b>57.8%</b>
Asset Management	104.6%	87.2%	75.8%	98.7%	67.9%	74.3%	75.8%	97.6%	72.7%	63.2%	55.1%	98.5%
Private Banking	42.7%	37.1%	20.8%	29.1%	35.7%	31.7%	46.2%	34.5%	51.6%	37.0%	27.2%	31.6%
GSSI + Boursorama	29.3%	40.0%	40.7%	32.1%	16.4%	20.3%	12.2%	18.5%	32.4%	38.8%	23.3%	25.2%
<b>Corporate &amp; Investment Banking</b>	<b>17.4%</b>	<b>19.6%</b>	<b>6.5%</b>	<b>8.3%</b>	<b>21.2%</b>	<b>34.2%</b>	<b>30.4%</b>	<b>31.5%</b>	<b>36.3%</b>	<b>39.5%</b>	<b>41.3%</b>	<b>44.8%</b>
Equity & Advisory	45.5%	52.2%	-25.8%	-24.4%	68.8%	148.4%	116.1%	35.6%	73.8%	127.6%	138.2%	118.5%
Corporate Banking & Fixed Income	13.0%	14.5%	11.2%	12.6%	15.1%	19.7%	19.6%	31.0%	31.1%	27.0%	28.1%	36.4%
<b>CORE BUSINESSES</b>	<b>19.7%</b>	<b>19.7%</b>	<b>16.8%</b>	<b>17.7%</b>	<b>19.4%</b>	<b>25.4%</b>	<b>24.4%</b>	<b>25.4%</b>	<b>26.3%</b>	<b>27.3%</b>	<b>27.7%</b>	<b>30.7%</b>
<b>GROUP</b>	<b>13.5%</b>	<b>9.8%</b>	<b>3.8%</b>	<b>9.7%</b>	<b>13.1%</b>	<b>18.5%</b>	<b>17.3%</b>	<b>16.4%</b>	<b>20.0%</b>	<b>18.3%</b>	<b>17.7%</b>	<b>19.6%</b>