

**First quarter 2004 results****A strong start to the year****Financial results:**

- Operating income up 61.5%\* vs. Q1 03
- Net attributable income for the quarter: EUR 801 million, up 65.8% vs. Q1 03
- ROE after tax: 20.0%

**Operational performances:**

- Continued strong growth
- Increased operating efficiency in all businesses
- Low level of risk provisioning

<i>In EUR million</i>	Q1 04	Change vs. Q1 03	Change vs. Q4 03
<b>Net banking income</b>	<b>3,958</b>	<b>+5.6%</b>	<b>+1.0%</b>
<i>Like-for-like*</i>		<b>+13.0%</b>	
<b>Operating expenses</b>	<b>-2,656</b>	<b>+5.4%</b>	<b>-5.2%</b>
<i>Like-for-like*</i>		<b>+6.6%</b>	
<b>Gross operating income</b>	<b>1,302</b>	<b>+5.9%</b>	<b>+16.4%</b>
<i>Like-for-like*</i>		<b>+28.8%</b>	
<b>Operating income</b>	<b>1,104</b>	<b>+22.7%</b>	<b>+17.7%</b>
<i>Like-for-like*</i>		<b>+61.5%</b>	
<b>Net income</b>	<b>801</b>	<b>+65.8%</b>	<b>+24.4%</b>

	Q1 04	Q1 03	Q4 03
<b>Group ROE after tax</b>	<b>20.0%</b>	<b>13.1%</b>	<b>16.4%</b>
<b>Business line ROE after tax</b>	<b>26.3%</b>	<b>19.5%</b>	<b>25.4%</b>

\* When adjusted for changes in Group structure, at constant exchange rates and excluding exceptional capital gain on property disposal of EUR 187 million booked under net banking income in the first quarter of 2003.

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SOCIÉTÉ GÉNÉRALE  
A French corporation with  
share capital of  
EUR 548,043,436.25  
552 120 222 RCS PARIS



At the meeting of the Board of Directors of Société Générale on May 12th 2004, chaired by Daniel Bouton, the Board closed the Group's consolidated accounts for the period ending March 31st 2003. Commenting on these results, Daniel Bouton said:

*"The Société Générale Group turned in a very good performance in the first quarter, with a return on equity after tax of 20%. All the core businesses registered revenue growth, while continuing to make further improvements in operating efficiency. Risk provisioning was low, remaining stable on the levels seen in the last quarter of 2003.*

## **1. GROUP CONSOLIDATED RESULTS**

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In Europe, the quarter was marked by a persistently weak economic environment and low interest rates. The volume of business customer financial operations in the region remained sluggish on the equity and debt capital markets, and in financing. In the United States, the economic environment proved much more favourable and the strong business recovery was confirmed.

Against this mixed backdrop, the Group posted very good performances, with operating income up 61.5%\* on the first quarter of 2003 (+22.7% in absolute terms) and net income of EUR 801 million, up 65.8% on the first quarter of 2003.

These strong performances were fuelled by sustained growth in all the core businesses, combined with continuing improvements in their operating efficiency. At the same time, risk provisioning remained low and the proprietary investment portfolios made a positive contribution to income.

### **Net banking income**

Net banking income for the quarter was nearly EUR 4 billion, up 13%\*. In absolute terms, the rise came out at 5.6%.

Net banking income was up 6.4% in the French Networks, 7.7% in Retail Banking outside France and 13.6% in Financial Services. Revenues for the Global Investment Management arm were up 25.7%, and +7.6% in Corporate and Investment Banking (+12.7% on a like-for-like basis and at constant exchange rates). These strong performances underline the growth potential of the businesses' existing franchises and their ability to take advantage of improvements in the economic environment.

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\* When adjusted for changes in Group structure, at constant exchange rates and excluding the exceptional capital gain on property disposal of EUR 187 million booked under net banking income in the first quarter of 2003.

## **Operating expenses**

The rise in operating expenses (+6.6% on the first quarter of 2003 when adjusted for changes in Group structure and at constant exchange rates) was significantly lower than the growth in revenues. Operating expenses were down 5.2% on the fourth quarter of 2003. The cost/income ratio showed an improvement at 67.1% in the first quarter of 2004 compared with 70.7% in the same quarter of 2003 (excluding the exceptional capital gain on the property disposal).

The Group is registering improved operating efficiency in all its core businesses. In the French Networks, operating expenses rose by just over 3%, reflecting the increase in activity and the investments required for the ongoing restructuring of the network. The cost/income ratio for the French Networks was down 2 points over twelve months, to 70.1%. The other businesses also saw an improvement in their cost/income ratio. In Corporate and Investment Banking, it came out at a low of 62.3%.

## **Operating income**

The Group put in a remarkable operating performance, with gross operating income of EUR 1.3 billion, up 28.8%\*. In absolute terms, the increase came out at 5.9%.

The level of risk provisioning remained low, as in the last quarter of 2003. In the French Networks, the cost of risk was stable at 33 bp of risk-weighted assets. Risk provisioning in Corporate and Investment Banking remained very moderate at EUR 48 million over the quarter compared with a quarterly average of EUR 130 million in 2003. No write-backs were made from the general credit risk reserve over the quarter.

With this strong rise in gross operating income and particularly low level of risk provisioning, the Group posted its second highest quarterly operating income, at EUR 1.104 billion for the quarter, up 61.5%\* on the first quarter of 2003, or +22.7% in absolute terms.

## **Net income**

Net income from long-term investments made a positive contribution of EUR 195 million over the quarter, compared with a loss of EUR 112 million in the first quarter of 2003. This figure notably includes a EUR 127 million capital gain on the disposal of the stake in Sophia. The Group took advantage of the recovery in the equity market to continue the announced reduction of its industrial equity portfolio.

After amortisation of goodwill, corporate income tax and minority interests, Group net income totalled EUR 801 million for the quarter, up 65.8% on the first quarter of 2003.

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\* When adjusted for changes in Group structure, at constant exchange rates and excluding the exceptional capital gain on property disposal of EUR 187 million booked under net banking income in Q1 03.

Group ROE after tax was 20%, compared with 16.2% for the full year 2003.

## **2. CAPITAL BASE**

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Group shareholders' equity stood at EUR 17.6 billion at March 31st 2004, representing a book value per share of EUR 43.1. The Tier-1 ratio was stable at 8.64% at March 31st 2004 (compared with 8.66% at December 31st 2003). Risk-weighted assets increased by 3.2% over the quarter (EUR +6.4 billion).

In line with the Group's share buyback policy, intended to cancel out the dilutive impact of the capital increases reserved for employees, Société Générale bought back 3.9 million shares over the quarter at an average price of EUR 69.1. At March 31st 2004, the Group thus held 33.9 million of its own shares (excluding those held as part of its trading activities) representing 7.7% of its total capital stock.

Following the decision of the Shareholders' Meeting of April 29th 2004, the dividend of EUR 2.50 per share shall be payable as of May 18th 2004.

In terms of financial ratings (Standard & Poor's: AA-, Moody's: Aa3, Fitch: AA-), the Group ranks among the highest rated banking groups in the euro zone.

### 3. RETAIL BANKING AND FINANCIAL SERVICES

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#### French Networks

<i>In EUR million</i>	<b>Q1 04</b>	<b>Change vs. Q1 03</b>	<b>Change vs. Q4 03</b>
<b>Net banking income</b>	<b>1,436</b>	<b>+6.4%</b>	<b>-1.9%</b>
<b>Operating expenses</b>	<b>-1,006</b>	<b>+3.6%</b>	<b>1.6%</b>
<b>Gross operating income</b>	<b>430</b>	<b>+13.8%</b>	<b>-9.3%</b>
<b>Net allocation to provisions</b>	<b>-71</b>	<b>+7.6%</b>	<b>-29.0%</b>
<b>Operating income</b>	<b>359</b>	<b>+15.1%</b>	<b>-4.0%</b>
<b>Net income</b>	<b>227</b>	<b>+17.0%</b>	<b>-3.8%</b>

	<b>Q1 04</b>	<b>Q1 03</b>	<b>Q4 03</b>
<b>ROE after tax</b>	<b>19.5%</b>	<b>17.8%</b>	<b>20.7%</b>

The Société Générale and Crédit du Nord networks together form France's leading non-mutual retail banking group. In the first quarter of 2004, they continued to post remarkable commercial and financial performances.

The net annual increase in the number of current accounts remained stable, in excess of 100,000 (+120,000 or +2.2% between March 31st 2003 and March 31st 2004). At the same time, the average number of products per personal current account continued to rise, reaching 7.5 at the end of March 2004 versus 7.2 a year earlier.

The division's commercial activity was particularly dynamic, notably in asset gathering for savings products, both deposits and investment products (deposits in passbook savings accounts rose 13.1% over a year). Gross inflows into life insurance products were up more than 46% compared with the first quarter of 2003.

New mortgage loans rose to a new high over the quarter (+6.5% compared with the first quarter of 2003 when the division had already reached a record level of issuance), while margins were kept at satisfactory levels.

The Networks continued to target the self-employed professionals and business customer segments, while maintaining their usual level of prudence with respect to loan commitments. Equipment loans rose over 13% for self-employed professionals, and 7% for SMEs. Conversely, there was a fall in draw-downs of short-term credit facilities by corporates, in line with trends in the market.

Despite low interest rates, net interest income rose 2.4% on the first quarter of 2003, thanks in particular to robust levels of customer deposits (sight deposits up 7.1% over the same period). Net banking income was boosted in particular by growth in commissions (+13% between the first quarter of 2003 and the first quarter of 2004).

The 11% rise in service commissions is attributable to the high levels of activity and the increasing number of products per customer, while the price effect was lower than inflation. The pick-up in financial commissions was confirmed (+18% compared with the first quarter of 2003).

Overall, growth in net banking income was healthy, at +6.4% in relation to the first quarter of 2003.

Growth in operating expenses was kept under control over the quarter (+3.6% versus the first quarter of 2003) and was primarily linked to an increase in costs directly associated with business volumes and to investments for the restructuring of the Société Générale network, notably the creation of regional middle and back-office platforms.

Gross operating income for the two French Networks in the first quarter of 2004 was EUR 430 million, up 13.8% on the first quarter of 2003, and the cost/income ratio improved by nearly 2 points, to come out at 70.1%.

The cost of risk remained stable at 33 bp of risk-weighted assets.

Net income rose 17% to EUR 227 million. The ROE after tax was 19.5%.

### **Retail Banking outside France**

<i>In EUR million</i>	<b>Q1 04</b>	<b>Change vs. Q1 03</b>	<b>Change vs. Q4 03</b>
<b>Net banking income</b>	<b>418</b>	<b>+7.7%</b>	<b>-7.1%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+7.9%</b>	
<b>Gross operating income</b>	<b>159</b>	<b>+15.2%</b>	<b>-9.1%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+18.3%</b>	
<b>Net allocation to provisions</b>	<b>-43</b>	<b>+22.9%</b>	<b>+4.9%</b>
<b>Operating income</b>	<b>116</b>	<b>+12.6%</b>	<b>-13.4%</b>
<b>Net income</b>	<b>55</b>	<b>+27.9%</b>	<b>+0.0%</b>

	<b>Q1 04</b>	<b>Q1 03</b>	<b>Q4 03</b>
<b>ROE after tax</b>	<b>32.5%</b>	<b>25.8%</b>	<b>33.0%</b>

The Retail Banking network outside France confirmed the relevance of its economic model over the quarter and achieved its objective of providing a growth driver for the overall Group.

Thanks to sustained levels of commercial activity, the network's franchise continued to expand in nearly all 31 of its entities, with 416,000 new individual customers over a year.

Over the same period, outstanding loans increased 9% when adjusted for changes in Group structure and at constant exchange rates. The divergence in the levels of growth in loans to individual customers (+26%) and loans to businesses (+5%) was the result of a deliberate effort to take advantage of the potential of the different customer segments.

On March 5th 2004, the Group acquired 50.01% of the capital of General Bank of Greece and on May 11th 2004 launched a public share purchase offer for the remaining capital. General Bank of Greece is the country's 7th largest bank, with 250,000 individual customers and a 2% market share in deposits. The acquisition reinforces the Group's position in the Balkans.

Despite low interest rates, net banking income was up 7.7% compared with the first quarter of 2003 (+7.9% when adjusted for changes in Group structure and at constant exchange rates). The division's revenue growth was particularly strong in Romania and Egypt.

The rise in operating expenses remained modest (+3.6% in relation to the first quarter of 2003), as the cost of investments (opening of new branches, upgrade of the IT systems) were offset by continuing rationalisation programmes, notably in the Czech Republic.

The business line's level of risk provisioning was kept under control, and totalled EUR 43 million over the quarter, compared with EUR 35 million in the first quarter of 2003.

Operating income was up 12.6% over the period (+15.3% when adjusted for changes in group structure and at constant exchange rates). Net income was EUR 55 million, up 27.9%, and included a capital gain of EUR 20 million before tax and minority interests, on the disposal of a payment systems subsidiary of Komerční Banka.

The ROE after tax came out at 32.5% for the quarter.

## Financial Services

<i>In EUR million</i>	Q1 04	Change vs. Q1 03	Change vs. Q4 03
<b>Net banking income</b>	<b>486</b>	<b>+13.6%</b>	<b>-8.1%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+12.0%</b>	
<b>Gross operating income</b>	<b>180</b>	<b>+34.3%</b>	<b>+7.8%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+33.1%</b>	
<b>Net allocation to provisions</b>	<b>-37</b>	<b>+15.6%</b>	<b>-17.8%</b>
<b>Operating income</b>	<b>143</b>	<b>+40.2%</b>	<b>+17.2%</b>
<b>Net income</b>	<b>90</b>	<b>+42.9%</b>	<b>+13.9%</b>

	Q1 04	Q1 03	Q4 03
<b>ROE after tax</b>	<b>15.0%</b>	<b>11.6%</b>	<b>14.0%</b>

**The Group's Financial Services activities encompass three business lines: Specialised Financing, Life Insurance, and Securities and Banking Services.**

The **Specialised Financing** activities, and in particular business finance, are one of Société Générale Group's key development axes in Europe.

The integration of the acquisitions is going well. At the end of the first quarter of 2004, the Group launched the "SG Equipment Finance" brand, which groups together the offering of all its entities in vendor and equipment finance, and notably that of Franfinance and Gefa.

Due to continuing uncertainty in the European environment, new and outstanding business financing remained stable with respect to the first quarter of 2003, but margin levels increased.

In operational vehicle leasing, the ALD Automotive brand continued to expand and now manages a fleet of over 508,000 vehicles (up 3% compared with March 31st 2003).

In the consumer credit business, new loan issuance was robust (+13% compared with the first quarter of 2003), with good performances in Italy (+15%) and France (+10%).

Overall, net banking income generated by the Specialised Financing activities was up 6% on the first quarter of 2003, when adjusted for changes in Group structure and at constant exchange rates, and the ROE before tax stood at 17.3% for the period.

In the **Life Insurance** business, premium income was up 41% on the first quarter of 2003, compared with +25% for the bancassurance market as a whole. Sogecap thus



consolidated its position as the number 3 bancassurance player in the French market, registering a rise in its market share to 14.4%. Its operating income registered a strong rise.

The **Securities and Banking Services** activities benefited from the improvement in the stock market environment and also reaped the rewards of the recent mandates they have won. Revenues for the business were up 22% compared with the first quarter of 2003.

Overall, **the Financial Services arm** notched up a rise in operating income of nearly 40% compared with the first quarter of 2003, when adjusted for changes in group structure and at constant exchange rates. The ROE after tax was 15% for the quarter.

#### 4. GLOBAL INVESTMENT MANAGEMENT

<i>In EUR million</i>	Q1 04	Change vs. Q1 03	Change vs. Q4 03
<b>Net banking income</b>	<b>352</b>	<b>+25.7%</b>	<b>-9.7%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+23.8%</b>	
<b>Operating expenses</b>	<b>-230</b>	<b>+13.3%</b>	<b>-7.3%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+14.3%</b>	
<b>Operating income</b>	<b>122</b>	<b>+58.3%</b>	<b>-14.2%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+47.2%</b>	
<b>Net income</b>	<b>78</b>	<b>+49.8%</b>	<b>-2.5%</b>
<i>o/w Asset Management</i>	<b>48</b>	<b>+26.3%</b>	<b>-21.3%</b>
<i>Private Banking</i>	<b>30</b>	<b>+113.6%</b>	<b>+58.2%</b>

<i>In EUR billion</i>	Q1 04	Q1 03	Q4 03
<b>Net new money over period</b>	<b>6.2</b>	<b>2.9</b>	<b>2.2</b>
<b>Assets under management (at end of period)</b>	<b>300.0</b>	<b>261.8</b>	<b>284.1</b>

Assets under management in the Group's Global Investment Management arm stood at EUR 300 billion\* at March 31st 2004, up nearly EUR 16 billion over the quarter. Net inflows totalled EUR 6.2 billion over the period, representing an annualised rate of asset inflows of 8%.

The division's financial results also showed significant rises, with net banking income up 25.7% on the first quarter of 2003 (+23.8% adjusted for changes in Group structure and at constant exchange rates), and net income up 49.8% at EUR 78 million.

#### **Asset Management**

The net inflow of new money over the quarter was strong, at EUR 4.9 billion, of which EUR 3.4 billion was invested in equity products. New money from cross-selling totalled a record EUR 1.8 billion. The weighting of equity products in the portfolio increased significantly, and margins rose to 37 bp compared with 35 bp in the first quarter of 2003. At March 31st 2004, 55% of total assets under management were

\* Excluding the assets managed by Lyxor Asset Management (EUR 35 billion at March 31st 2004), whose results are consolidated in the Equity and Advisory business line, and EUR 65 billion of assets held by customers of the French Networks (investible assets exceeding EUR 150,000).

invested in equity and diversified funds and alternative management products. Total assets under management in these funds rose 7% over the quarter.

Net banking income thus rose sharply (+21.1% in relation to the first quarter of 2003 when adjusted for changes in Group structure and at constant exchange rates), confirming the recovery that began in the summer of 2003.

TCW's performances were particularly remarkable. Net inflows totalled USD 3 billion for the quarter, and margins were 42.7 bp (compared with 37 bp in the first quarter of 2003).

The business line also continued to develop its growth drivers in Asia, with the acquisition of the asset management subsidiary of Resona, the No. 5 banking group in Japan, and the creation of a joint venture with IBK, the No.4 bank in Korea in terms of balance sheet.

Against this backdrop, the rise in operating expenses was limited (+5.7% compared with the first quarter of 2003), and notably reflected the increase in variable remuneration linked to higher levels of activity.

Net income for the quarter was up 26.3% on the first quarter of 2003.

### **Private Banking**

At March 31st 2004, assets under management in the Private Banking business totalled EUR 47.1 billion\*. Net new money over the quarter totalled EUR 1.3 billion, up over 10% at an annualised rate. This performance reflects the quality of the business line's positioning in France, the commercial development in Asia and the effective integration of its most recent acquisitions (Compagnie Bancaire Genève in Switzerland, Banque de Martelaere in Belgium).

Sustained asset gathering and the upturn in transactions on managed portfolios drove net banking income up 52.5% compared with the first quarter of 2003 (+31% when adjusted for changes in Group structure and at constant exchange rates). Operating expenses were up 30.2% (+17% when adjusted for changes in Group structure and at constant exchange rates), and net income more than doubled between the first quarters of 2003 and 2004, to stand at EUR 30 million.

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\* Excluding EUR 65 billion of assets held by customers of the French Networks (investible assets exceeding EUR 150,000).

## 5. CORPORATE AND INVESTMENT BANKING

<i>In EUR million</i>	<b>Q1 04</b>	<b>Change vs. Q1 03</b>	<b>Change vs. Q4 03</b>
<b>Net banking income</b>	<b>1,281</b>	<b>+7.6%</b>	<b>+10.3%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+12.7%</b>	
<b>Operating expenses</b>	<b>-798</b>	<b>+4.2%</b>	<b>-3.4%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+8.8%</b>	
<b>Gross operating income</b>	<b>483</b>	<b>+13.6%</b>	<b>+44.2%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+19.8%</b>	
<b>Net allocation to provisions</b>	<b>-48</b>	<b>-74.1%</b>	<b>NM</b>
<b>Operating income</b>	<b>435</b>	<b>+81.3%</b>	<b>+25.7%</b>
<i>On a like-for-like basis &amp; at constant exchange rates</i>		<b>+95.9%</b>	
<b>Net income</b>	<b>329</b>	<b>+66.2%</b>	<b>+14.6%</b>

	<b>Q1 04</b>	<b>Q1 03</b>	<b>Q4 03</b>
<b>ROE after tax</b>	<b>36.3%</b>	<b>21.5%</b>	<b>31.7%</b>

The Group's Corporate and Investment Banking arm posted a very high level of profitability in the first quarter of 2004, with an ROE after tax of 36.3% against 21.5% in the first quarter of 2003 and 30.1% for the full-year 2003. With net income of EUR 329 million, the business registered its second best quarterly performance, after the level reached in the first quarter of 2000 in an exceptional market context.

Revenues continued to rise (+7.6% compared with the first quarter of 2003, in absolute terms, +12.7% when adjusted for changes in Group structure and at constant exchange rates).

In the Corporate Banking and Fixed Income business, treasury activities were buoyed by a highly favourable market environment and strong sales in credit and credit derivatives products, while structured finance activities got off to a slower start in a sluggish European market.

In Equity and Advisory, the Equity Derivatives business picked up, primarily on the back of a strong commercial performance in structured and listed products. While the Cash Equity and Advisory business was affected by the weakness in the French primary market, it put in a good performance in secondary market activities.

The proportion of client-driven transactions continued to account for two thirds of net banking income over the quarter in line with the announced objective, underlining the quality of the Corporate and Investment Banking division's business portfolio and franchise. Market risk exposure remained virtually stable with an average trading VaR of EUR 27.2 million over the quarter, against EUR 24.3 million in the fourth quarter of 2003.

The Corporate and Investment banking arm also confirmed its position as one of the top ten banks in the euro capital markets, and as a market leader in derivatives and structured finance, thanks notably to its capacity for innovation and ability to meet the increasingly complex demands of its clients. It structured the first synthetic securitisation of residential mortgage loan collateral in France and launched the first and only government bond tracker in the euro zone.

The arm kept a tight rein on its operating expenses over the quarter, which were down 3.4% on the fourth quarter of 2003. The cost/income ratio came in at a low level of 62.3%.

Risk provisioning remained very low, in line with the last quarter of 2003, standing at EUR 48 million in the first quarter of 2004 compared with a quarterly average of EUR 130 million in 2003. This fall reflects the continuing favourable environment in the US, and the policy of dynamic portfolio management introduced in 2001.

The Corporate and Investment Banking arm posted net income of EUR 329 million for the first quarter of 2004, up 66.2% on the same period in 2003, and 15% on the fourth quarter of 2003.

## 6. CORPORATE CENTRE

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The Corporate Centre posted net income of EUR 22 million for the quarter, compared with a loss of EUR 67 million in the first quarter of 2003.

While the Group booked a capital gain of EUR 187 million on a property disposal under net banking income in the first quarter of 2003, in the first quarter of 2004 it booked a capital gain of EUR 127 million on the sale of shares in Sophia under income from long-term investments. The Group took advantage of the more favourable stock market environment to continue the reduction in its industrial equity portfolio, generating capital gains. It also made reversals from provisions for depreciation of the industrial equity portfolio. At March 31st 2004, the net book value of the portfolio was EUR 1.9 billion, representing an unrealised capital gain of EUR 0.2 billion. Disposals over the quarter totalled EUR 640 million in net book value, including the shares in Sophia.

The Group's effective tax rate stood at 28.6% for the quarter.

### **2004 shareholders' diary**

May 18th 2004	Dividend payment
July 30th 2004	Second quarter 2004 results
September 27th 2004	Investors' Day (Paris)
November 9th 2004	Third quarter 2004 results

## SUPPLEMENTARY DATA

CONSOLIDATED INCOME STATEMENT (in millions of euros)	First quarter		Change		
	2004	2003 <sup>(1)</sup>	Q1/Q4	Q1/Q1	
Net banking income	3,958	3,749	1.0%	5.6%	7.2% (*)
Operating expenses	(2,656)	(2,519)	-5.2%	5.4%	6.6% (*)
<b>Gross operating income</b>	<b>1,302</b>	<b>1,230</b>	<b>16.4%</b>	<b>5.9%</b>	<b>8.4% (*)</b>
Net allocation to provisions	(198)	(330)	9.4%	-40.0%	-39.3% (*)
<b>Operating income</b>	<b>1,104</b>	<b>900</b>	<b>17.7%</b>	<b>22.7%</b>	<b>26.3% (*)</b>
Net income from long-term investments	195	(112)	56.0%	-274.1%	
Net income from companies accounted for by the equity method	4	10	-73.3%	-60.0%	
Exceptional items	(20)	0	NM	NM	
Amortisation of goodwill	(41)	(40)	-43.1%	2.5%	
Income tax	(366)	(219)	27.1%	67.1%	
<b>Net income before minority interests</b>	<b>876</b>	<b>539</b>	<b>22.0%</b>	<b>62.5%</b>	
Minority interests	(75)	(56)	1.4%	33.9%	
<b>Net income</b>	<b>801</b>	<b>483</b>	<b>24.4%</b>	<b>65.8%</b>	
Annualised Group ROE after tax (%)	20.0%	13.1%			
Tier-one ratio at end of period	8.6%	7.8%			

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

NET INCOME AFTER TAX BY CORE BUSINESS (in millions of euros)	First quarter		Change	
	2004	2003 <sup>(1)</sup>	Q1/Q4	Q1/Q1
<b>Retail Banking &amp; Financial Services</b>	<b>372</b>	<b>300</b>	<b>0.5%</b>	<b>24.0%</b>
o.w. French Networks	227	194	-3.8%	17.0%
o.w. Financial Services	90	63	13.9%	42.9%
o.w. Retail Banking outside France	55	43	0.0%	27.9%
<b>Global Investment Management</b>	<b>78</b>	<b>52</b>	<b>-2.5%</b>	<b>49.8%</b>
o.w. Asset Management	48	38	-21.3%	26.3%
o.w. Private Banking	30	14	58.2%	113.6%
<b>Corporate &amp; Investment Banking</b>	<b>329</b>	<b>198</b>	<b>14.6%</b>	<b>66.2%</b>
o.w. Equity & Advisory	79	70	119.4%	12.9%
o.w. Corporate Banking & Fixed Income	250	128	-0.4%	95.3%
<b>CORE BUSINESSES</b>	<b>779</b>	<b>550</b>	<b>5.7%</b>	<b>41.6%</b>
<b>Corporate Centre</b>	<b>22</b>	<b>(67)</b>	<b>NM</b>	<b>NM</b>
<b>GROUP</b>	<b>801</b>	<b>483</b>	<b>24.4%</b>	<b>65.8%</b>

(1) After reclassification of part of SG Bank and Trust Luxembourg's treasury activities from Financial Services to Private Banking.

## QUARTERLY RESULTS BY CORE BUSINESS

<i>(in millions of euros)</i>	2002 <sup>(1)</sup>				2003 <sup>(1)</sup>				2004
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>Retail Banking &amp; Financial Services</b>									
Net banking income	2,168	2,112	2,140	2,244	2,165	2,302	2,296	2,443	2,340
Operating expenses	-1,480	-1,468	-1,437	-1,482	-1,515	-1,537	-1,512	-1,627	-1,571
<i>Gross operating income</i>	688	644	703	762	650	765	784	816	769
Net allocation to provisions	-165	-151	-150	-185	-133	-158	-171	-186	-151
<i>Operating income</i>	523	493	553	577	517	607	613	630	618
Net income from long-term investments	1	-7	29	-2	-2	3	2	2	27
Net income from companies accounted for by the equity method	3	7	4	0	4	4	3	2	2
Income tax	-179	-166	-195	-197	-176	-208	-210	-216	-221
<i>Net income before minority interests</i>	348	327	391	378	343	406	408	418	426
Minority interests	-42	-40	-52	-41	-43	-48	-48	-48	-54
<i>Net income</i>	306	287	339	337	300	358	360	370	372
<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
Operating expenses	-947	-961	-943	-955	-971	-982	-972	-990	-1,006
<i>Gross operating income</i>	374	397	392	445	378	431	447	474	430
Net allocation to provisions	-64	-73	-72	-88	-66	-76	-89	-100	-71
<i>Operating income</i>	310	324	320	357	312	355	358	374	359
Net income from long-term investments	0	0	7	5	1	4	0	4	7
Net income from companies accounted for by the equity method	0	1	1	0	1	1	0	1	1
Income tax	-107	-115	-109	-127	-109	-126	-125	-133	-128
<i>Net income before minority interests</i>	203	210	219	235	205	234	233	246	239
Minority interests	-12	-10	-9	-9	-11	-11	-8	-10	-12
<i>Net income</i>	191	200	210	226	194	223	225	236	227
<b>o.w. Financial Services</b>									
Net banking income	405	362	396	412	428	456	446	529	486
Operating expenses	-265	-267	-252	-272	-294	-296	-285	-362	-306
<i>Gross operating income</i>	140	95	144	140	134	160	161	167	180
Net allocation to provisions	-38	-31	-31	-37	-32	-40	-39	-45	-37
<i>Operating income</i>	102	64	113	103	102	120	122	122	143
Net income from long-term investments	0	0	19	0	0	0	0	-2	0
Net income from companies accounted for by the equity method	0	0	0	0	0	0	0	0	0
Income tax	-38	-22	-49	-37	-37	-43	-44	-43	-51
<i>Net income before minority interests</i>	64	42	83	66	65	77	78	77	92
Minority interests	1	-2	0	-2	-2	-1	0	2	-2
<i>Net income</i>	65	40	83	64	63	76	78	79	90
<b>o.w. Retail Banking outside France</b>									
Net banking income	442	392	409	432	388	433	431	450	418
Operating expenses	-268	-240	-242	-255	-250	-259	-255	-275	-259
<i>Gross operating income</i>	174	152	167	177	138	174	176	175	159
Net allocation to provisions	-63	-47	-47	-60	-35	-42	-43	-41	-43
<i>Operating income</i>	111	105	120	117	103	132	133	134	116
Net income from long-term investments	1	-7	3	-7	-3	-1	2	0	20
Net income from companies accounted for by the equity method	3	6	3	0	3	3	3	1	1
Income tax	-34	-29	-37	-33	-30	-39	-41	-40	-42
<i>Net income before minority interests</i>	81	75	89	77	73	95	97	95	95
Minority interests	-31	-28	-43	-30	-30	-36	-40	-40	-40
<i>Net income</i>	50	47	46	47	43	59	57	55	55

**(1) After reclassification of part of SG Bank and Trust Luxembourg's treasury activities from Financial Services to Private Banking.**



	2002 <sup>(1)</sup>				2003 <sup>(1)</sup>				2004
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<i>(in millions of euros)</i>									
<b>Global Investment Management</b>									
Net banking income	340	338	301	345	280	291	325	390	352
Operating expenses	-232	-237	-216	-226	-203	-204	-218	-248	-230
<i>Gross operating income</i>	108	101	85	119	77	87	107	142	122
Net allocation to provisions	0	0	-5	-11	0	0	0	-2	0
<i>Operating income</i>	108	101	80	108	77	87	107	140	122
Net income from long-term investments	-1	0	-1	-8	-1	0	-1	-9	0
Net income from companies accounted for by the equity method	0	0	0	0	0	0	0	0	0
Income tax	-34	-31	-26	-31	-23	-27	-31	-40	-36
<i>Net income before minority interests</i>	73	70	53	69	53	60	75	91	86
Minority interests	-6	-5	-2	-2	-1	-5	-7	-11	-8
<i>Net income</i>	67	65	51	67	52	55	68	80	78
<b>o.w. Asset Management</b>									
Net banking income	254	253	220	260	200	211	222	278	230
Operating expenses	-166	-169	-151	-156	-140	-139	-143	-161	-148
<i>Gross operating income</i>	88	84	69	104	60	72	79	117	82
Net allocation to provisions	0	0	0	-8	0	0	0	-2	0
<i>Operating income</i>	88	84	69	96	60	72	79	115	82
Net income from long-term investments	-1	0	-1	-8	-1	0	-1	-9	0
Net income from companies accounted for by the equity method	0	0	0	0	0	0	0	0	0
Income tax	-30	-28	-23	-30	-20	-25	-26	-36	-28
<i>Net income before minority interests</i>	57	56	45	58	39	47	52	70	54
Minority interests	-6	-5	-2	-2	-1	-5	-5	-9	-6
<i>Net income</i>	51	51	43	56	38	42	47	61	48
<b>o.w. Private Banking</b>									
Net banking income	86	85	81	85	80	80	103	112	122
Operating expenses	-66	-68	-65	-70	-63	-65	-75	-87	-82
<i>Gross operating income</i>	20	17	16	15	17	15	28	25	40
Net allocation to provisions	0	0	-5	-3	0	0	0	0	0
<i>Operating income</i>	20	17	11	12	17	15	28	25	40
Net income from long-term investments	0	0	0	0	0	0	0	0	0
Net income from companies accounted for by the equity method	0	0	0	0	0	0	0	0	0
Income tax	-4	-3	-3	-1	-3	-2	-5	-4	-8
<i>Net income before minority interests</i>	16	14	8	11	14	13	23	21	32
Minority interests	0	0	0	0	0	0	-2	-2	-2
<i>Net income</i>	16	14	8	11	14	13	21	19	30
<b>Corporate and Investment Banking</b>									
Net banking income	1,272	1,365	987	1,145	1,191	1,471	1,318	1,161	1,281
Operating expenses	-899	-933	-757	-898	-766	-859	-823	-826	-798
<i>Gross operating income</i>	373	432	230	247	425	612	495	335	483
Net allocation to provisions	-155	-165	-186	-211	-185	-206	-139	11	-48
<i>Operating income</i>	218	267	44	36	240	406	356	346	435
Net income from long-term investments	-1	-25	2	48	0	1	2	26	2
Net income from companies accounted for by the equity method	0	6	0	12	1	6	2	8	1
Income tax	-47	-57	32	-6	-42	-97	-77	-91	-107
<i>Net income before minority interests</i>	170	191	78	90	199	316	283	289	331
Minority interests	-3	-6	-6	-5	-1	-3	-2	-2	-2
<i>Net income</i>	167	185	72	85	198	313	281	287	329

**(1) After reclassification of part of SG Bank and Trust Luxembourg's treasury activities from Financial Services to Private Banking.**

	2002 <sup>(1)</sup>				2003 <sup>(1)</sup>				2004
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<i>(in millions of euros)</i>									
<b>o.w. Equity and Advisory</b>									
Net banking income	491	524	226	341	369	562	505	428	435
Operating expenses	-411	-422	-288	-397	-281	-342	-358	-348	-306
<i>Gross operating income</i>	80	102	-62	-56	88	220	147	80	129
Net allocation to provisions	0	0	-5	-13	0	-10	0	-27	-31
<i>Operating income</i>	80	102	-67	-69	88	210	147	53	98
Net income from long-term investments	0	-12	0	-4	-2	0	0	0	0
Net income from companies accounted for by the equity method	0	0	0	0	0	0	0	0	0
Income tax	-24	-27	37	47	-16	-59	-30	-17	-19
<i>Net income before minority interests</i>	56	63	-30	-26	70	151	117	36	79
Minority interests	0	0	0	0	0	0	0	0	0
<i>Net income</i>	56	63	-30	-26	70	151	117	36	79
<b>o.w. Corporate Banking and Fixed Income</b>									
Net banking income	781	841	761	804	822	909	813	733	846
Operating expenses	-488	-511	-469	-501	-485	-517	-465	-478	-492
<i>Gross operating income</i>	293	330	292	303	337	392	348	255	354
Net allocation to provisions	-155	-165	-181	-198	-185	-196	-139	38	-17
<i>Operating income</i>	138	165	111	105	152	196	209	293	337
Net income from long-term investments	-1	-13	2	52	2	1	2	26	2
Net income from companies accounted for by the equity method	0	6	0	12	1	6	2	8	1
Income tax	-23	-30	-5	-53	-26	-38	-47	-74	-88
<i>Net income before minority interests</i>	114	128	108	116	129	165	166	253	252
Minority interests	-3	-6	-6	-5	-1	-3	-2	-2	-2
<i>Net income</i>	111	122	102	111	128	162	164	251	250
<b>Corporate Centre</b>									
Net banking income	-76	37	-107	-38	113	42	-77	-74	-15
Operating expenses	-55	-81	-33	-92	-35	-52	-43	-100	-57
<i>Gross operating income</i>	-131	-44	-140	-130	78	-10	-120	-174	-72
Net allocation to provisions	34	29	16	4	-12	-13	-28	-4	1
<i>Operating income</i>	-97	-15	-124	-126	66	-23	-148	-178	-71
Net income from long-term investments	68	-99	-267	-36	-109	235	142	106	166
Net income from companies accounted for by the equity method	-4	-10	19	11	5	2	1	5	1
Exceptional items	-2	-2	-4	-3	0	-150	0	0	-20
Amortisation of goodwill	-39	-62	-45	-38	-40	-60	-45	-72	-41
Income tax	54	56	101	77	22	-26	22	59	-2
<i>Net income before minority interests</i>	-20	-132	-320	-115	-56	-22	-28	-80	33
Minority interests	-9	-29	4	-10	-11	-9	-11	-13	-11
<i>Net income</i>	-29	-161	-316	-125	-67	-31	-39	-93	22
<b>GROUP</b>									
Net banking income	3,704	3,852	3,321	3,696	3,749	4,106	3,862	3,920	3,958
Operating expenses	-2,666	-2,719	-2,443	-2,698	-2,519	-2,652	-2,596	-2,801	-2,656
<i>Gross operating income</i>	1,038	1,133	878	998	1,230	1,454	1,266	1,119	1,302
Net allocation to provisions	-286	-287	-325	-403	-330	-377	-338	-181	-198
<i>Operating income</i>	752	846	553	595	900	1,077	928	938	1,104
Net income from long-term investments	67	-131	-237	2	-112	239	145	125	195
Net income from companies accounted for by the equity method	-1	3	23	23	10	12	6	15	4
Exceptional items	-2	-2	-4	-3	0	-150	0	0	-20
Amortisation of goodwill	-39	-62	-45	-38	-40	-60	-45	-72	-41
Income tax	-206	-198	-88	-157	-219	-358	-296	-288	-366
<i>Net income before minority interests</i>	571	456	202	422	539	760	738	718	876
Minority interests	-60	-80	-56	-58	-56	-65	-68	-74	-75
<i>Net income</i>	511	376	146	364	483	695	670	644	801

**(1) After reclassification of part of SG Bank and Trust Luxembourg's treasury activities from Financial Services to Private Banking.**

## QUARTERLY NET INCOME BY CORE BUSINESS

	2002 <sup>(1)</sup>				2003 <sup>(1)</sup>				2004
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<i>(in millions of euros)</i>									
<b>Retail Banking &amp; Financial Services</b>	<b>306</b>	<b>287</b>	<b>339</b>	<b>337</b>	<b>300</b>	<b>358</b>	<b>360</b>	<b>370</b>	<b>372</b>
French Networks	191	200	210	226	194	223	225	236	227
Financial Services	65	40	83	64	63	76	78	79	90
Retail Banking outside France	50	47	46	47	43	59	57	55	55
<b>Global Investment Management</b>	<b>67</b>	<b>65</b>	<b>51</b>	<b>67</b>	<b>52</b>	<b>55</b>	<b>68</b>	<b>80</b>	<b>78</b>
Asset Management	51	51	43	56	38	42	47	61	48
Private Banking	16	14	8	11	14	13	21	19	30
<b>Corporate &amp; Investment Banking</b>	<b>167</b>	<b>185</b>	<b>72</b>	<b>85</b>	<b>198</b>	<b>313</b>	<b>281</b>	<b>287</b>	<b>329</b>
<i>o.w. Equity &amp; Advisory</i>	56	63	-30	-26	70	151	117	36	79
<i>o.w. Corporate Banking and Fixed Income</i>	111	122	102	111	128	162	164	251	250
<b>CORE BUSINESSES</b>	<b>540</b>	<b>537</b>	<b>462</b>	<b>489</b>	<b>550</b>	<b>726</b>	<b>709</b>	<b>737</b>	<b>779</b>
<b>Corporate Centre</b>	<b>-29</b>	<b>-161</b>	<b>-316</b>	<b>-125</b>	<b>-67</b>	<b>-31</b>	<b>-39</b>	<b>-93</b>	<b>22</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>

## QUARTERLY ROE BY CORE BUSINESS

	2002 <sup>(1)</sup>				2003 <sup>(1)</sup>				2004
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<i>(%)</i>									
<b>Retail Banking &amp; Financial Services</b>	<b>17.9%</b>	<b>16.8%</b>	<b>19.8%</b>	<b>19.6%</b>	<b>16.7%</b>	<b>19.5%</b>	<b>19.3%</b>	<b>19.8%</b>	<b>19.2%</b>
French Networks	17.8%	18.7%	19.7%	21.1%	17.8%	20.0%	19.8%	20.7%	19.5%
Financial Services	13.6%	8.3%	16.8%	12.9%	11.6%	13.6%	13.7%	14.0%	15.0%
Retail Banking outside France	31.1%	30.0%	29.6%	30.1%	25.8%	36.4%	34.9%	33.0%	32.5%
<b>Global Investment Management</b>	<b>77.7%</b>	<b>67.5%</b>	<b>53.5%</b>	<b>70.9%</b>	<b>54.6%</b>	<b>56.4%</b>	<b>63.3%</b>	<b>68.1%</b>	<b>62.8%</b>
Asset Management	104.6%	87.2%	75.8%	98.7%	67.9%	74.3%	75.8%	97.6%	72.7%
Private banking	42.7%	37.1%	20.8%	29.1%	35.7%	31.7%	46.2%	34.5%	51.6%
<b>Corporate &amp; Investment Banking</b>	<b>18.0%</b>	<b>20.1%</b>	<b>7.7%</b>	<b>9.0%</b>	<b>21.5%</b>	<b>33.8%</b>	<b>30.3%</b>	<b>31.7%</b>	<b>36.3%</b>
<i>o.w. Equity &amp; Advisory</i>	45.5%	52.2%	-25.8%	-24.4%	68.8%	148.4%	116.1%	35.6%	73.8%
<i>o.w. Corporate Banking &amp; Fixed Income</i>	13.8%	15.3%	12.5%	13.2%	15.6%	19.6%	19.9%	31.2%	31.3%
<b>CORE BUSINESSES</b>	<b>19.8%</b>	<b>19.7%</b>	<b>16.8%</b>	<b>17.7%</b>	<b>19.5%</b>	<b>25.4%</b>	<b>24.4%</b>	<b>25.4%</b>	<b>26.3%</b>
<b>GROUP</b>	<b>13.6%</b>	<b>9.8%</b>	<b>3.8%</b>	<b>9.7%</b>	<b>13.1%</b>	<b>18.5%</b>	<b>17.3%</b>	<b>16.4%</b>	<b>20.0%</b>

(1) After reclassification of part of SG Bank and Trust Luxembourg's treasury activities from Financial Services to Private Banking.