31/03/2009

# Navigating through the credit crisis and assessing the earnings power

Didier VALET, Group Chief Financial Officer

***Morgan Stanley - 2009 European Banks & Financials Conference***

SOCIETE GENERALE

# Disclaimer

The following presentation contains a number of forward-looking statements relating to Société Générale's targets and strategy. 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 should take into account elements of uncertainty and risk when basing their investment decisions on information provided in this presentation. Neither Société Générale nor its representatives shall have any liability whatsoever for any loss arising from any use of this presentation or its contents or otherwise arising in connection with this presentation or any other information or material discussed.

The Group's consolidated financial statements were examined by the Board of Directors on February 17th 2009.

The quarterly results at March 31st 2007, June 30th 2007, September 30th 2007 and December 31st 2007, presented for comparative purposes, have been adjusted to restate the accounting consequences of the fictitious transactions recorded in 2007 and 2008 relating to unauthorised, concealed market activities discovered in January 2008. However, in order to provide more relevant information on the Group's performance, the figures in this document correspond to reported historic data. The comments are also based on these reported historic data. The consolidated financial statements for the fourth quarter of 2008 and FY 2008 and the comparative data for the fourth quarter of 2007 and FY 2007 (reported and restated) have been reviewed by the Statutory Auditors. The Basel II data in this presentation have not been audited by the Statutory Auditors.

The figures provided for the financial year ended December 31st 2008 and the comparative data relating to FY 2007 have been prepared in accordance with IFRS (International Financial Reporting Standards) adopted by the European Union and applicable at these dates. The consolidated financial statements have been audited by the Statutory Auditors.

Unless otherwise specified, the sources for the business rankings are internal.



# Current market focus

- **Q1-09 Business update**
- **Exposures at risk**
- **Central and Eastern Europe**

# Q1-09 SG Business performances: Impact of the crisis but overall resilient results

- **French networks**
  - Overall effect of economic slowdown on revenues
- **International Retail Banking**
  - Good resilience of activity in spite of currency depreciation impact on revenues (and costs)
- **Financial Services & Global Investment Management & Services**
  - Businesses suffering from financial crisis
  - However, slightly positive net income
- **Corporate and Investment banking**
  - Fixed income and Financing & Advisory: excellent start of the year
  - Satisfactory performances in equities



# SG CIB: Good start of the year

- **Client revenues: SG CIB at the forefront of client relationship in difficult times**
  - **Fixed income, Currencies and Commodities**: strong commercial performance reiterated
  - **Financing and Advisory**:
    - Euro bond markets improved SG market share in higher volume markets
    - Well positioned in syndicated EMEA loans
  - **Equities**: satisfactory operational performance but impact of decreasing equity markets
    - Dividends and correlation impact despite resilient structured product sales
    - Flow products: decent performance

- **Good trading revenues**
  - **Fixed income, Currencies and Commodities**: favoured by improvement on credit markets
  - **Equities**: good performance

## Euro-denominated bonds market share - March 2009

| Jan 09 to March 20th | | | | FY 2008 | | |
|---|---|---|---|---|---|---|
| Rank | Managing bank or group | Total €m | Share (%) | Rank | Total €m | Share (%) |
| 1 | BNP Paribas | 32,232 | 9.1% | 3 | 59,315 | 9.0% |
| 2 | HSBC | 28,374 | 8.0% | 5 | 51,644 | 6.5% |
| **3** | **SG CIB** | **25,486** | **7.2%** | **7** | **41,515** | **5.3%** |
| 4 | Deutsche Bank | 25,400 | 7.2% | 1 | 71,246 | 9.0% |
| 5 | RBS | 21,789 | 6.2% | 4 | 59,122 | 7.5% |
| 6 | JPMorgan | 21,125 | 6.0% | 9 | 36,521 | 4.6% |
| 7 | Barclays Capital | 19,906 | 5.6% | 2 | 61,402 | 7.8% |
| 8 | Calyon | 17,707 | 5.0% | 10 | 32,702 | 4.1% |
| 9 | UniCredit Group | 12,752 | 3.6% | 8 | 37,244 | 4.7% |
| 10 | Citi | 11,600 | 3.3% | 14 | 22,624 | 2.9% |
| | **Total** | **354,163** | **100%** | | **791,115** | **100.0%** |

*Source EuroWeek*

## EMEA Syndicated Loans market share - Feb 2009

| Jan-Feb 09 | | | | FY 2008 | | |
|---|---|---|---|---|---|---|
| Rank | Managing bank or group | Total $ m | Share (%) | Rank | Total $ m | Share (%) |
| 1 | BNP Paribas | 8,947 | 8.5% | 2 | 84,977 | 9.2% |
| 2 | Calyon | 8,378 | 8.0% | 3 | 51,346 | 5.6% |
| **3** | **SG CIB** | **6,558** | **6.3%** | **7** | **40,794** | **4.4%** |
| 4 | RBS | 6,368 | 6.1% | 1 | 94,788 | 10.3% |
| 5 | HSBC Holdings PLC | 4,818 | 4.6% | 6 | 42,499 | 4.6% |
| 6 | Santander | 4,414 | 4.2% | 11 | 28,730 | 3.1% |
| 7 | BBVA | 4,004 | 3.8% | ns | ns | ns |
| 8 | Commerzbank | 3,454 | 3.3% | ns | ns | ns |
| 9 | Citi | 3,379 | 3.2% | 5 | 48,023 | 5.2% |
| 10 | JP Morgan | 3,035 | 2.9% | ns | ns | ns |
| | **Industry Total** | **104,577** | **100%** | | **919,970** | **100%** |

*Source IFR*

# SG CIB: 2009 – 2011 Strategy and Objectives

- **SG CIB: key pillar of Group strategy**
  - Capital allocated maintained at around 25% of total capital and goodwill allocated to businesses

- **Strong client orientation**
  - Objective of market share gains in a post crisis environment
  - Focus on key clients

- **Optimization of scarce resources, improvement of risk profile**
  - Creation of a capital market division leading to better capital allocation between Equities and Fixed Income
  - Proprietary trading concentrated on SG CIB core expertise (arbitrage, technological advance)
  - More capital required from capital market activities

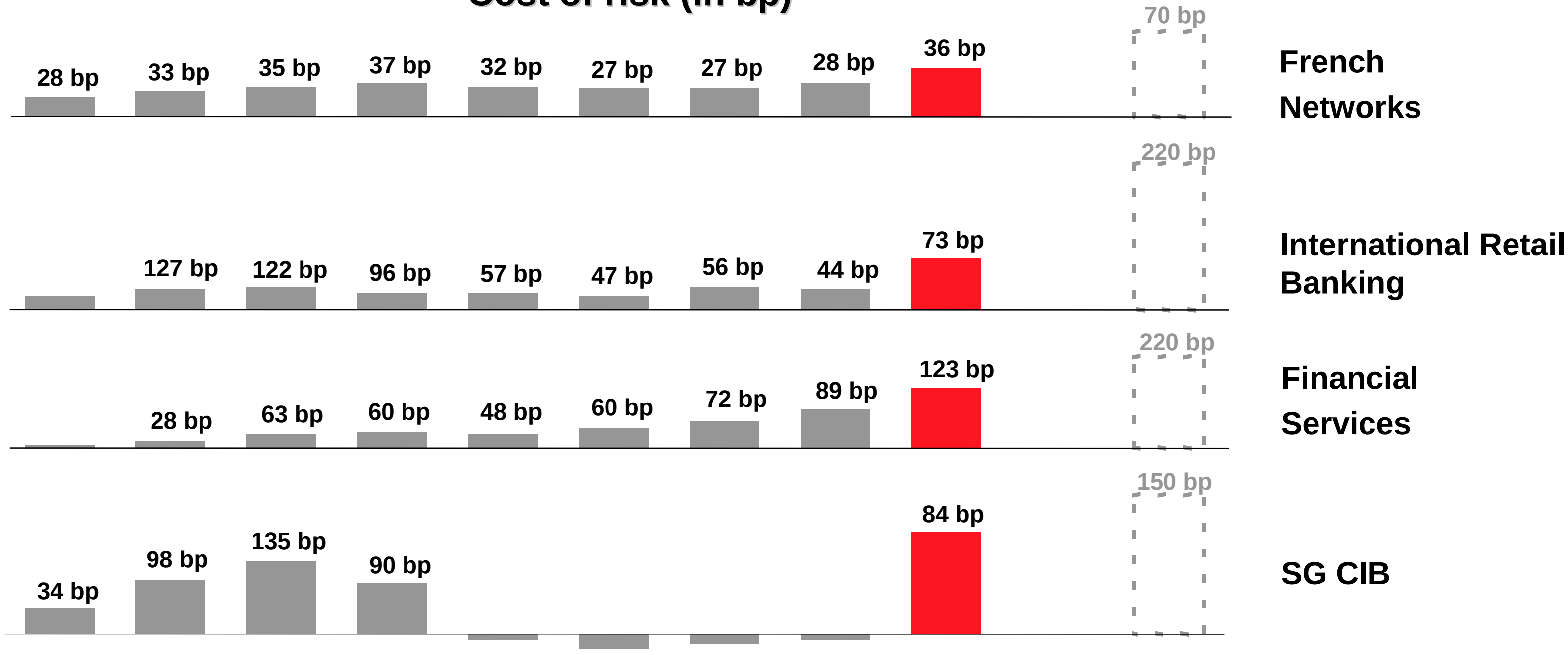
- **Operational leverage increase**
  - Targeted cost reduction
  - Cost income at 60% or below
  - Increased operational security and improved back-office

**ROE target (Basel II) between 17 and 20 % in mid-cycle conditions**



# Q1-09: Cost of risk within the same order of magnitude as in Q4-08

**Net allocation to provisions (in EUR m)**
**Cost of risk (in bp)**




| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | Stress-test |
|---|---|---|---|---|---|---|---|---|---|---|
| Group | 753 | 1 067 | 1 301 | 1 226 | 568 | 448 | 679 | 905 | 2 655 | 5 375 |
| | 38 bp | 57 bp | 70 bp | 59 bp | 20 bp | 16 bp | 25 bp | 25 bp | 66 bp | 132 bp |



# Good capacity to face a severe credit stress

(All the data appearing in this slide correspond to stress-tests and are provided for information purposes. They should not be viewed as forecasts)

## Stress assumptions

- "2009 Gross Operating Income" equal to the lowest analyst consensus of March 30th 2009
  (not SG guidance)
- Organic growth in RWAs of 5%
  (no acquisitions, volume effect and rating migration)
- Stress-tested Group cost of risk:132 bp
  - Inclusion of specific hypotheses for each business line
- 2009 Net Income of ≈ EUR 0.4bn
  (not SG guidance)

**Tier 1 Ratio[2] 8.9% at end-2009 and Core Tier 1[2] between 6.3% and 6.8%**

- Including tranches issued to the French government (EUR 3.4bn)[1]
- Assumed payout ratio of 45% in 2009
- Sensitivity of Tier 1 ratio at end-2009
  EUR +/- 500m of GOI ⇨ ≈ +/- 4 bp of Tier 1 Ratio[2]

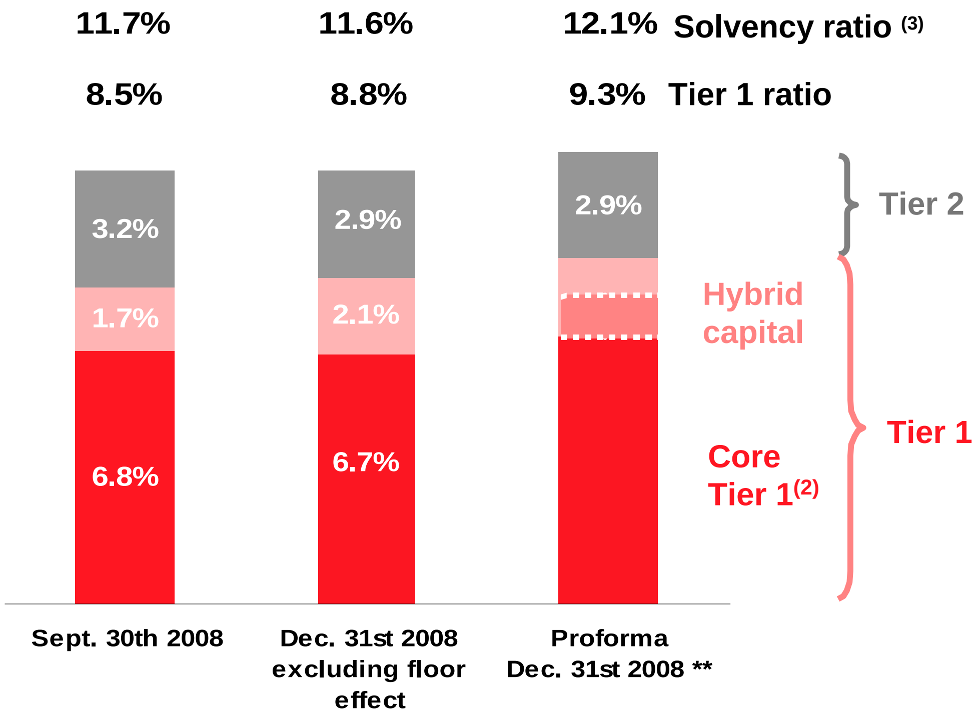
| | Analyst consensus (lowest projection) |
|---|---|
| GOI | EUR 6.1 bn |
| | **Credit stress test** (based on the consensus) |
| ↗ Risk-weighted assets | +5% *volume effect & cycle effect* |
| Stress-tested cost of risk | 132 bp over 1 year (Basel I) i.e. EUR -5.4bn |
| Stress-tested net income | EUR 0.4bn |
| Tier 1 Ratio / *Core Tier 1* | 8.9% / *between 6.3% and 6.8%* |

(1) Percentage of hybrid capital in Tier 1 of around 27% (dependent on payout ratio) if the option of a second tranche of hybrids was chosen
(2) Basel II

# Tier 1 ratio adequate to business mix and geographic exposure

- **Tier 1 Ratio of 8.8% and Core Tier 1 Ratio of 6.7% at end-2008 excluding floor effect(1)**
  - Floor effect: 34 bp
    - Tier 1 ratio (including floor): 8.4% at Dec. 31st 2008
      Core Tier 1 ratio (including floor): 6.4% at Dec. 31st 2008
  - Percentage of hybrid capital 23.7% at Dec. 31st 2008
- **Benefit of government measures to reinforce capital**
  - 1st issue of EUR 1.7bn of deeply subordinated notes subscribed by the Government in December 2008
  - 2nd issue envisaged (before August 2009) for the same amount and under conditions to be defined
- **Proposed dividend of EUR 1.2**
  - Scrip dividend option

**Change in Basel II Tier 1 Ratio***




* Based on a 36% payout ratio at end-December 2008
** Proforma of 2nd Government tranche and excluding impact of 2008 floor
(1) Additional capital requirements at given floors
(2) Core Tier 1: Tier 1 - Hybrid capital
(3) Solvency ratio: Tier 1 + Tier 2 - prudential deductions

# SGCIB: Review of reclassified assets and Q1-09 guidance

- **No further use of IAS 39 amendment in Q1-09**
  - Q4-08: Reclassification of high quality assets based on a credit analysis: EUR 23.5 bn of assets transferred
    - 90% of assets reclassified from riskiest assets as disclosed in Specific Financial Information

- **Additional write-downs of assets at risk to be expected in Q1-09**
  - Adjustments related to
    - Indices and spreads levels at end March
    - Financial situation of monoline insurers
  - Manageable level

**Breakdown of SG CIB assets reclassified in Q4 08**

in EUR bn

| | |
|---|---|
| Unhedged CDOs | 2.7 |
| Hedged CDOs and other assets | 8.6 |
| US RMBS | 0.7 |
| Spain RMBS | 0.4 |
| UK RMBS | 0.2 |
| Assets bought back from SGAM | 1.0 |
| CMBS | 7.1 |
| *o.w. assets previously disclosed as "Exotic credit* | *6.5* |
| *o.w. assets sold or transferred by SGAM to CIB* | *0.6* |
| LBO | 0.5 |
| Reclassified assets disclosed in the Specific financial information total | 21.2 |
| Other reclassified assets | 2.3 |
| **SG CIB Total transferred assets** | **23.5** |

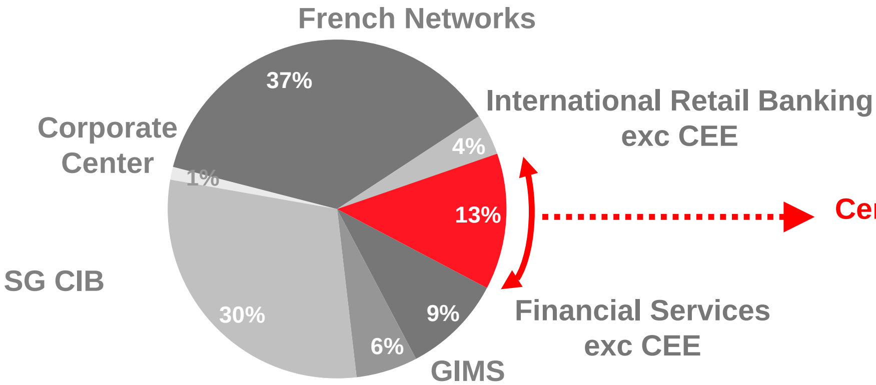
* The exposures at 31/03 and 30/06 do not include the Reserve Policy.



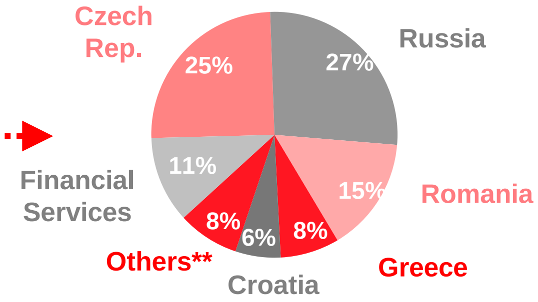
# Central & Eastern Europe: Manageable exposure

## Loans* - 2008

On Balance sheet only




Central & Eastern Europe

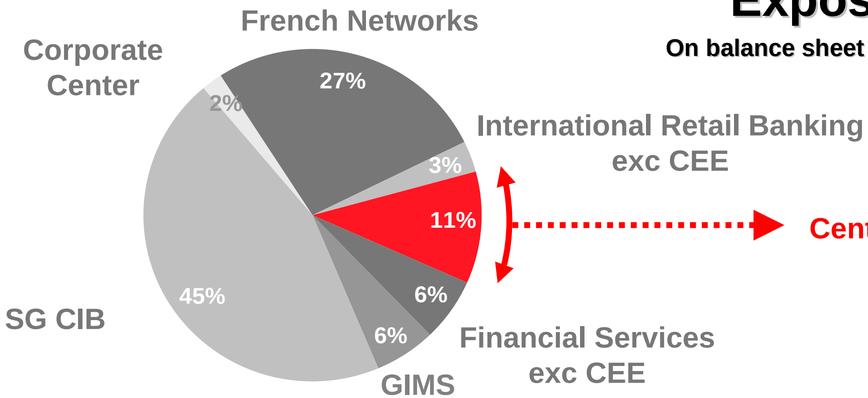



**GROUP : EUR 431bn**
**International Retail: EUR 67bn**
**Financial Services: EUR 47bn**

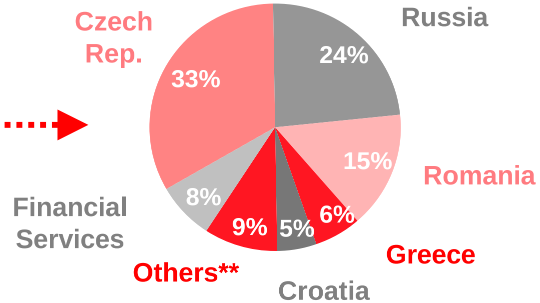
**Central & Eastern Europe : EUR 56bn**
**International Retail: EUR 50bn**
**Financial Services: EUR 6bn**

## Exposure At Default - 2008

On balance sheet + off balance sheet x Credit Conversion Factor




Central & Eastern Europe




**Group : EUR 773bn**
**International Retail: EUR 101bn**
**Financial Services: EUR 53bn**

**Central & Eastern Europe : EUR 82bn**
**International Retail: EUR 76bn**
**Financial Services: EUR 6bn**

* Loans: clients, financial institutions, leasing

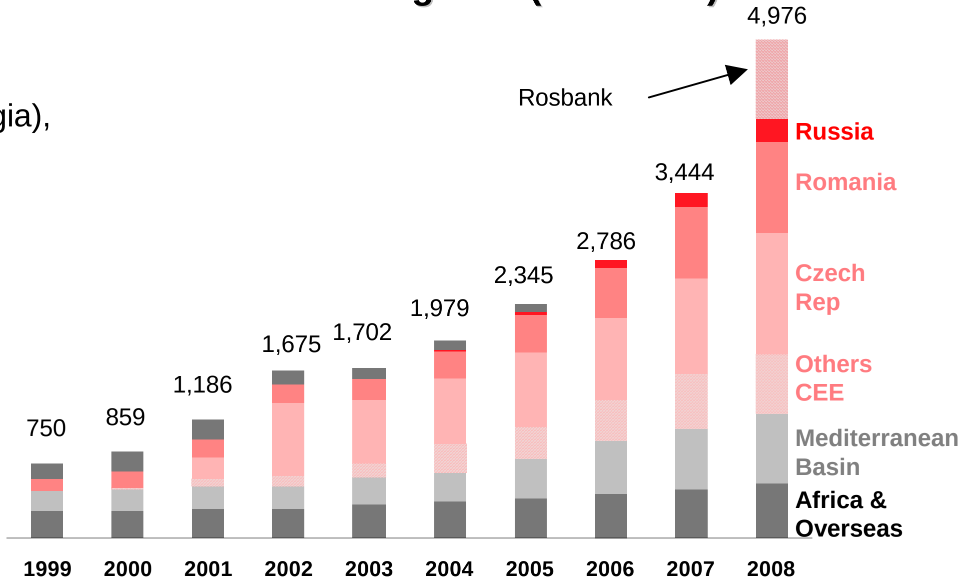
** Others: Slovenia, Serbia, Bulgaria, Georgia, Albania, Cyprus

# SG a long term investor in CEE despite short-term uncertainties

- **SG International Retail Banking: a long term player in CEE**
  - 1999: Romania, Bulgaria
  - 2001: Czech Republic, Slovenia
  - 2004: Greece
  - 2006 : Splitska (Croatia), Modra Pyramida (CZ), Bank Republic (Georgia), 20% of Rosbank (Russia)
  - 2007 : Mobiasbanca (Moldavia), Ohridska Banka (Macedonia), Banka Popullore (Albania)
  - 2008 : 57.57 % of Rosbank detained at end of May
- **Most CEE acquisitions made with low goodwill**
  - Residual goodwill as of Dec 31st 2008 stands at EUR 3.0 bn
- **Benefiting from SG expertise and support**
  - Leveraging SG brand name and international profile
  - Full alignment on Group values, policies and procedures
  - Central monitoring for risk management and financial performance
- **Solid financial indicators**
  - CEE represents 75% of International Retail Banking NBI at end 2008
  - CEE loans/deposits at 105%
  - Constant improvement in CEE C/I ratio: 57% in 2008 versus 62 % in 2003

↳ **Long term trends will prevail: CEE will recover from short term uncertainties**

**Breakdown of SG International Retail Banking NBI (in EUR m)**

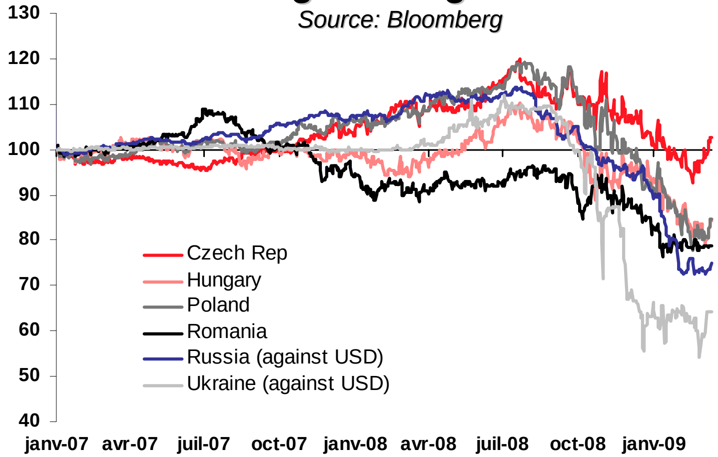



| 2008 KEY FIGURES | International Retail Banking | CEE |
|---|---|---|
| Subsidiaries | 40 | 17 |
| Branches<br>Staff | 3,700<br>63,000 | 2,805<br>48,809 |
| Customers (in m) | 13 | 10 |
| Client deposits (EUR bn) | 61 | 44 |
| Client loans (EUR bn) | 63 | 46 |

# Economic downturn in CEE: Not a uniform set of countries

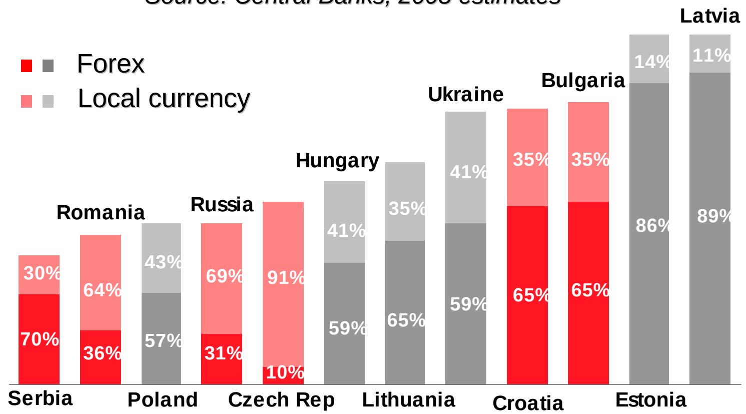
## Exchange rate against EUR

*Source: Bloomberg*



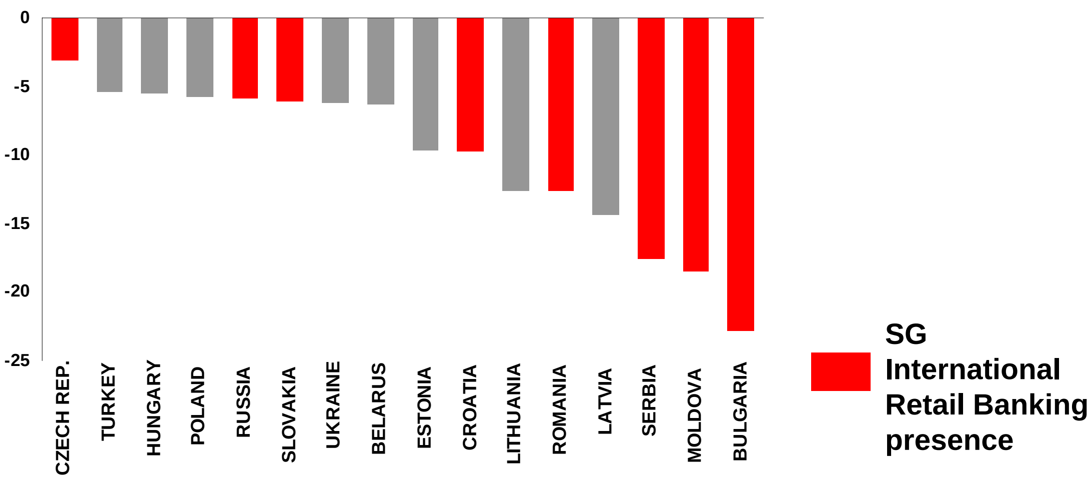

## Loans/total GDP (in %)

*Source: Central Banks, 2008 estimates*



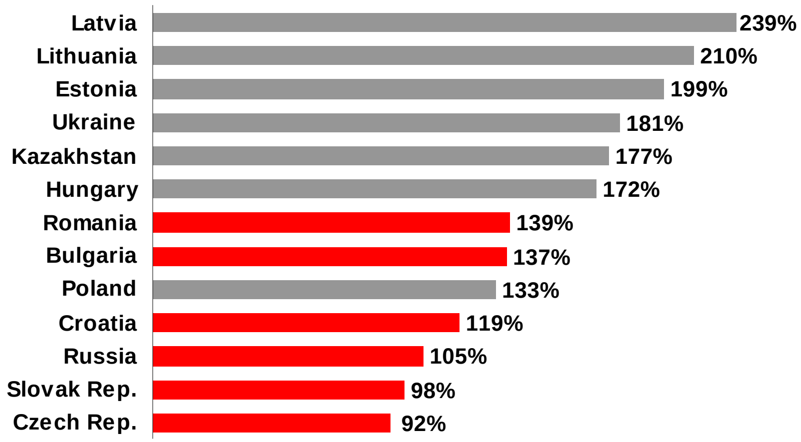

## Current Account Deficit (% GDP)

*Source: EIU, 2008 estimate*




## Loans/deposits

*Source: IMF, 2008*



# Komercni banka (CZ): Largest SG exposure in CEE, country less at risk

- **Czech Republic: strong fundamentals despite export-sensitive growth**
  - Exports amount to 70% of GDP
  - Banking sector over liquid: large deposit base and low share of foreign currency loans (10% of total loans)
  - Limited current account deficit: 3.1% of GDP 2008 (vs 10.1% on average in the region)

- **Komercni Banka: a highly resilient player**
  - High profitability and strong capitalization in 2008
  - Excess liquidity (loan/deposit ratio: 66% at end 2008)
  - Very limited exposure to Forex loans
    - 11% of total loans, exclusively corporate loans
  - 2009 objectives:
    - Tight cost control: ongoing cost cutting program of EUR 10-12m per annum, opening of branches halted
    - Maintaining high profitability through cross-selling focus (5.5 products/client at end 2008 vs 2.5 in 2001)

- **Cost of risk**
  - 81 bp in 2008 (Q4-08 : 156 pb)
  - Loss absorption capacity: 537 bp (GOI/Av. CWA)

### Komercni Banka results [1]

| In EUR m | 2002 | 2007 | 2008 | Change 08/07 |
|---|---|---|---|---|
| Net banking income | 715 | 952 | 1,218 | +15.3%* |
| Operating expenses | (416) | (498) | (581) | +4.7%* |
| **Gross operating income** | **299** | **454** | **637** | **+27.0%*** |
| Net allocation to provisions | (31) | (31) | (102) | +192.8%* |
| **Operating income** | **268** | **423** | **535** | **+14.7%*** |
| **Net income** | **195** | **319** | **421** | +19.5%* |
| **Net income Group Share** | **115** | **193** | **254** | **+19.8%*** |
| Cooke Weighted Assets (EoP) | 5,322 | 11,139 | 12,601 | |
| C/I ratio | 58.1% | 52.3% | 47.7% | |
| ROE | 69.3% | 55.3% | 54.2% | |

### Komercni Banka loans and deposits

| In EUR m | CZK | Forex | Total |
|---|---|---|---|
| **Total client loans** | **89%** | **11%** | **13,653** |
| - o.w Retail | 45% | 0% | 40% |
| - o.w Corporate | 55% | 100% | 60% |
| **Total client deposits** | **91%** | **9%** | **20,725** |
| - o.w Retail | 45% | 29% | 44% |
| - o.w Corporate | 55% | 71% | 56% |

**[1] Normative figures, 2002 data in French GAAP**
*** When adjusted for changes in Group structure and at constant exchange rates**

# BRD (Romania): Satisfying results despite lending limitations

## Romania: systemic crisis unlikely despite imbalances

- EUR 20bn IMF/EU loan should alleviate pressure on the RON
- Structure of current account deficit financing (mainly FDI and subsidiaries funding) mitigates risks of an abrupt capital reversal as country does not rely on bond market debt rollover
- Underdeveloped domestic financial markets limit massive speculative positions

## BRD: strong profitability

- Cost flexibility : operating expenses tightly monitored
  - Hiring freeze since mid 2008; maintained until further notice
  - Network target reached, completion program put on hold

## BRD risk management : conservative lending approach

- Moderate market funding reliance, benefiting from Group support
  - Loan/deposit ratio: 119% (versus ≈ 139% for the Romanian banking industry)
  - Enhanced focus on deposit collection on both in Euro and local currency
- Selective lending policy: strict limitations put on FX loans
  - Forex loans accounts for 49% versus around 55% for the market
  - Unsecured FX consumer loans capped at around 12% of total
  - Declining FX lending market shares since 2006

## Cost of risk

- Low level in 2008 41 bp (Q4-08 : 61 bp)
- Loan absorption capacity: 483 bp (GOI/av. CWA)

### BRD results [(1)]

| In EUR m | 2007 | 2008 | Change 08/07 |
|---|---|---|---|
| Net banking income | 722 | 900 | +37.1%* |
| Operating expenses | (344) | (383) | +23.0%* |
| **Gross operating income** | **378** | **517** | **+49.9%*** |
| Net allocation to provisions | (34) | (48) | +54.4%* |
| **Operating income** | **344** | **469** | **+49.4%*** |
| **Net income** | **258** | **370** | +56.9%* |
| **Net income Group Share** | **151** | **217** | **+56.7%*** |
| Cooke Weighted Assets (EoP) | 9,786 | 11,622 | |
| C/I ratio | 47.6% | 42.6% | |
| ROE | 48.4% | 54.7% | |

### BRD loans and deposits

| In M EUR | RON | Forex | Total |
|---|---|---|---|
| **Total client loans** | **51%** | **49%** | **8,099** |
| - o.w Retail | 48% | 46% | 47% |
| - o.w Corporate | 52% | 54% | 53% |
| **Total client deposits** | **61%** | **39%** | **6,784** |
| - o.w Retail | 37% | 54% | 44% |
| - o.w Corporate | 63% | 46% | 56% |

(1) Normative figures

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



# Russia: Loan growth constrained

## Russia: importance of commodities price

- CBR FX target 41 RUB against currency basket achievable if oil prices stabilize
- RUB stabilization since Feb. 09 as well as currency reserves
- Retail deposits increasing again since Dec. 08 after withdrawals in September/October (-6%)
- Current crisis may lead to further concentration of the banking sector and ultimately benefit to large players

## Rosbank: balanced credit profile

- Loan/deposit ratio: 116% end of 2008
- Rosbank: one of the highest ratio of retail loans among top universal Russian banks: 41%
- Conservative lending policy

## Cost of risk in Russia

- Alignment on Group provisioning standards in Q4-08
- Total cost of risk for Russia: 130 pb in 2008, 223 bp in Q4 08
- Loss absorption capacity: 269 bp (GOI/EoP CWA) before overheads reduction program

### Rosbank* + BSGV+ Delta Credit 2008 results**

| In EUR m | ROSBANK | BSGV | DELTA | RUSSIA |
|---|---|---|---|---|
| Net banking income | 790 | 191 | 38 | 1,019 |
| Operating expenses | (514) | (145) | (22) | (681) |
| **Gross operating income** | **276** | **46** | **16** | **338** |
| Net allocation to provisions | (171) | (12) | (6) | (189) |
| **Operating income** | **105** | **34** | **10** | **149** |
| **Net income** | **86** | **27** | **8** | **121** |
| **Net income Group Share** | **42** | **27** | **8** | **103** |
| Cooke Weighted Assets (EoP) | 10,305 | 3,971 | 495 | 14,771 |
| C/I ratio | 65.1% | 75.9% | 57.9% | 63.2% |
| ROE | 13.1% | 14.9% | 34.8% | 19.6% |

### Rosbank loans and deposits

| In M EUR | RUB | Forex | Total |
|---|---|---|---|
| **Total client loans** | **67%** | **33%** | **8,636** |
| - o.w Retail | 55% | 13% | **41%** |
| - o.w Corporate | 45% | 87% | **59%** |
| **Total client deposits** | **61%** | **39%** | **7,455** |
| - o.w Retail | 29% | 48% | 37% |
| - o.w Corporate | 71% | 52% | 63% |

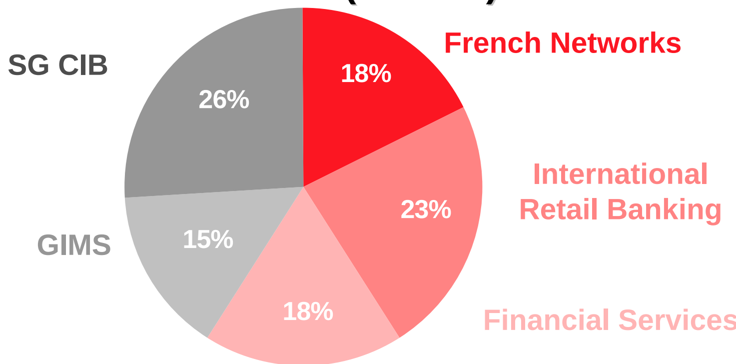
* Excluding AFS impact ** Normative figures, excluding goodwill impairment



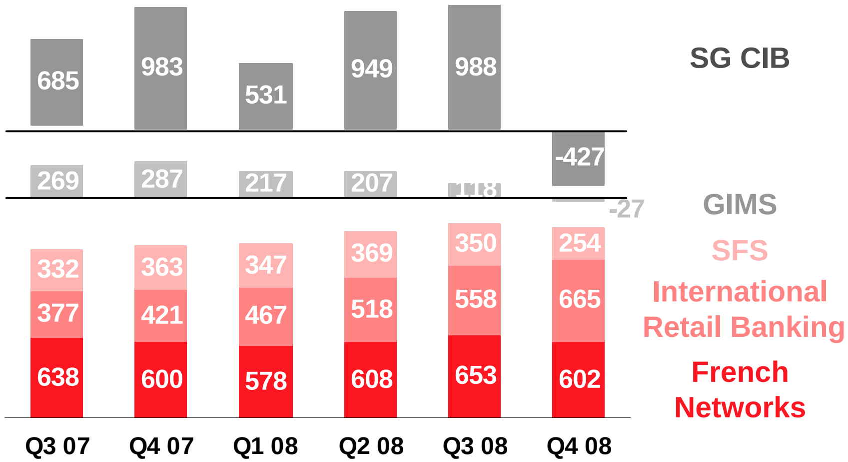
# Assessing SG earnings power

- **Primarily a retail oriented bank with a targeted presence in CIB**
- **Resilient operating income generation enabling the Group to face a significant credit crisis in the short term**
- **In the medium term, ability to leverage on businesses to deliver growth and profitability**
  - Retail activity oriented towards countries with still low credit penetration
  - CIB benefiting from lower number of competitors leading to decreased margin pressures

**Capital + Goodwill allocated to businesses at end 2008 (Basel II)**




**Gross Operating Income (1) (in EUR m)**




| | Q3 07 | Q4 07 | Q1 08 | Q2 08 | Q3 08 | Q4 08 |
|---|---|---|---|---|---|---|
| Group | 3,055 | 3,421 | 2,724 | 3,175 | 3,245 | 2,060 |
| GOI / CWA (In bp) | 398 | 440 | 326 | 365 | 360 | 217 |
| Cost of Risk (In bp) | 25 | 28 | 71 | 43 | 67 | 97 |

(1) Excluding non-recurring items

SOCIETE GENERALE

**Investor Relations**

Patrick SOMMELET, Louise DE L'ESTANG, Stéphane MARTY, Nathalie SAND

**Tel.: +33 (0) 1 42 14 47 72**

**E-mail: investor.relations@socgen.com - Internet: www.investor.socgen.com**



# Provisioning of doubtful loans*

| | dec 05 | dec 06 | dec 07 | june 08 | dec 08 |
|---|---|---|---|---|---|
| **French Retail** | | | | | |
| ***Doubtful loans/Customer loans*** | **3.4%** | **3.3%** | **3.1%** | **3.0%** | **3.2%** |
| ***Coverage ratio for doubtful loans*** | ***68%*** | ***59%*** | ***56%*** | ***54%*** | ***50%*** |
| **International Retail Banking** | | | | | |
| ***Doubtful loans/Customer loans*** | **11.4%** | **7.6%** | **6.4%** | **5.8%** | **6.0%** |
| ***Coverage ratio for doubtful loans*** | ***64%*** | ***71%*** | ***69%*** | ***69%*** | ***71%*** |
| ***Rosbank*** | | | | | |
| *Doubtful loans/Customer loans* | - | - | - | 4.4% | 5.5% |
| *Coverage ratio for doubtful loans* | - | - | - | *79.5%* | 105.5% |
| ***BSGV*** | | | | | |
| *Doubtful loans/Customer loans* | *0.3%* | *1.2%* | *0.8%* | 1.7% | *2.1%* |
| *Coverage ratio for doubtful loans* | *100.0%* | 63.1% | *89.1%* | *32.1%* | *29.4%* |
| ***BRD*** | | | | | |
| *Doubtful loans/Customer loans* | *4.5%* | *3.9%* | *4.1%* | 3.0% | *2.7%* |
| *Coverage ratio for doubtful loans* | *89.8%* | 64.5% | 55.8% | *69.9%* | *72.9%* |
| ***Komercni Banka*** | | | | | |
| *Doubtful loans/Customer loans* | *3.7%* | *3.4%* | *3.1%* | 3.3% | *4.3%* |
| *Coverage ratio for doubtful loans* | *63.8%* | 66.2% | *67.7%* | *66.1%* | *57.4%* |
| **Financial Services** | | | | | |
| ***Doubtful loans/Customer loans*** | **6.8%** | **6.7%** | **7.0%** | **7.7%** | **7.0%** |
| ***Coverage ratio for doubtful loans*** | ***50%*** | ***54%*** | ***54%*** | ***51%*** | ***51%*** |
| **Corporate and Investment Banking** | | | | | |
| ***Doubtful loans/Customer loans*** | **1.5%** | **1.0%** | **0.9%** | **1.4%** | **1.8%** |
| ***Coverage ratio for doubtful loans*** | ***51%*** | ***50%*** | ***38%*** | ***51%*** | ***49%*** |
| **GROUP** | | | | | |
| ***Doubtful loans/Customer loans*** | **3.9%** | **3.4%** | **3.1%** | **3.3%** | **3.5%** |
| ***Coverage ratio for doubtful loans*** | ***62%*** | ***61%*** | ***58%*** | ***57%*** | ***56%*** |

*** Including financial institutions, excluding portfolio-based provisions**

# Indicators of subsidiaries

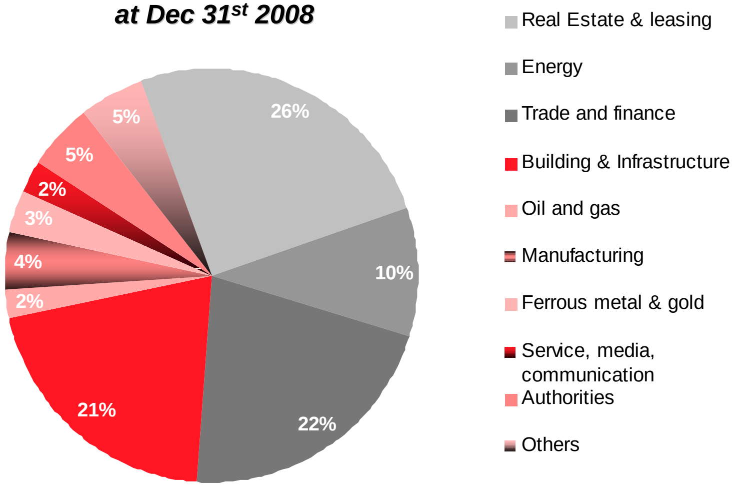
| | Ownership percentage | CWA*[(1)] | Loans*[(1)] | Deposits*[(1)] | Loan to deposit ratio (as %)[(1)] | Net position*[(1)] |
|---|---|---|---|---|---|---|
| Czech Republic (KB) | 60.35% | 12,601 | 13,653 | 20,725 | 65.9% | 841.0 |
| Russia (Rosbank) | 57.57% | 10,305 | 8,636 | 7,455 | 115.8% | 556.1 |
| Romania (BRD) | 58.54% | 11,622 | 8,099 | 6,784 | 119.4% | 372.6 |
| Morocco (SGMA) | 56.91% | 4,269 | 4,915 | 4,564 | 107.7% | 242.2 |
| Greece (GBG) | 52.32% | 4,393 | 3,989 | 2,507 | 159.1% | 146.1 |
| Egypt (NSGB) | 77.17% | 4,316 | 3,704 | 4,741 | 78.1% | 540.2 |
| Russia (BSGV) | 100.00% | 3,971 | 3,652 | 1,976 | 184.8% | 186.8 |
| Croatia (SB) | 100.00% | 2,583 | 2,552 | 1,754 | 145.4% | 358.8 |
| Slovenia (SKB) | 99.69% | 2,256 | 2,423 | 1,236 | 196.1% | 215.3 |
| Bulgaria (SGEB) | 97.95% | 1,365 | 1,075 | 628 | 171.1% | 103.6 |
| Reunion (BFCOI) | 49.99% | 1,170 | 1,506 | 1,408 | 107.0% | 44.4 |
| Algeria (SGA) | 100.00% | 990 | 842 | 724 | 116.3% | 66.7 |
| Serbia (SGS) | 100.00% | 1,112 | 501 | 412 | 121.5% | 183.6 |

* Indicators at end-December 2008 - In EUR m

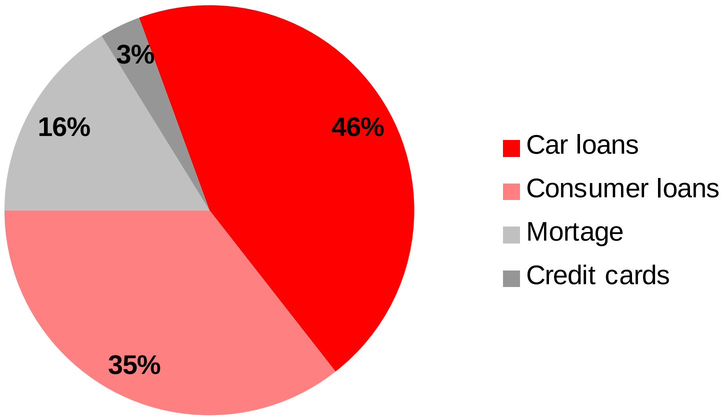
(1) The exposures reported relate to all International Retail Banking operations

# Rosbank: Balanced credit profile

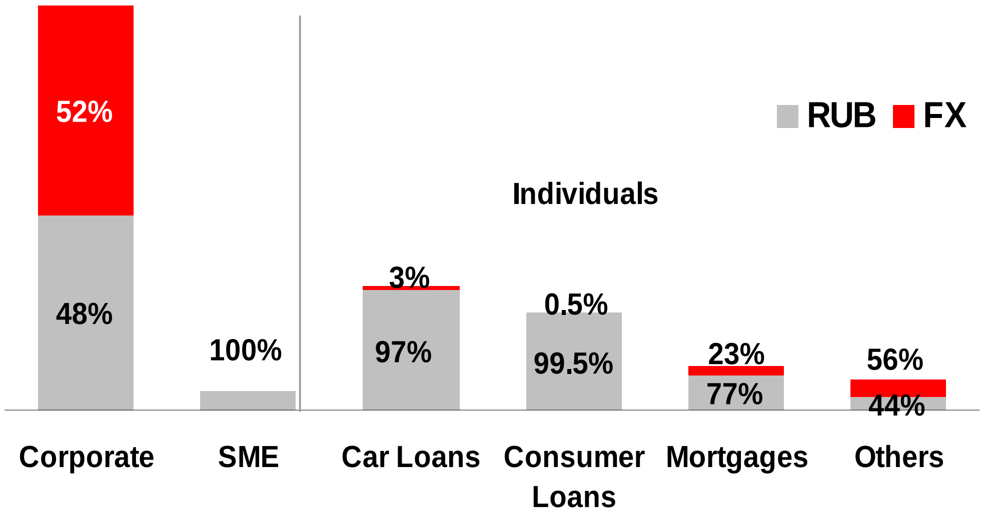
## Rosbank large corporate portfolio*
*at Dec 31st 2008*




## Rosbank retail client portfolio*
*at Dec 31st 2008*




## Rosbank FX/ RUB total loan breakdown*
## at Dec 31st 2008

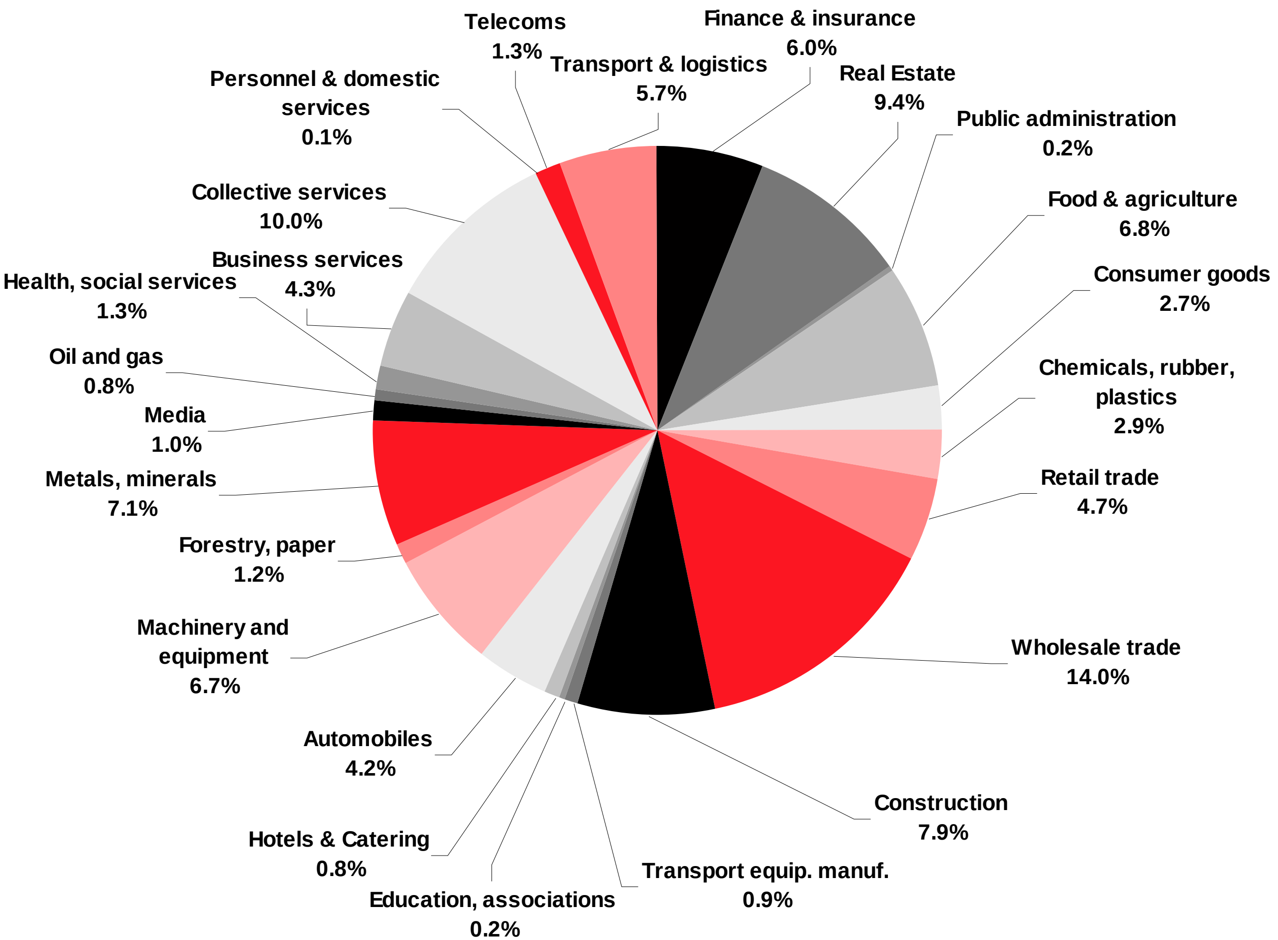



** Rosbank stand alone, Russian GAAP*

# Komercni banka (CZ): Loan commitments

## Sector breakdown of KB corporate commitments at Dec 31st 2008

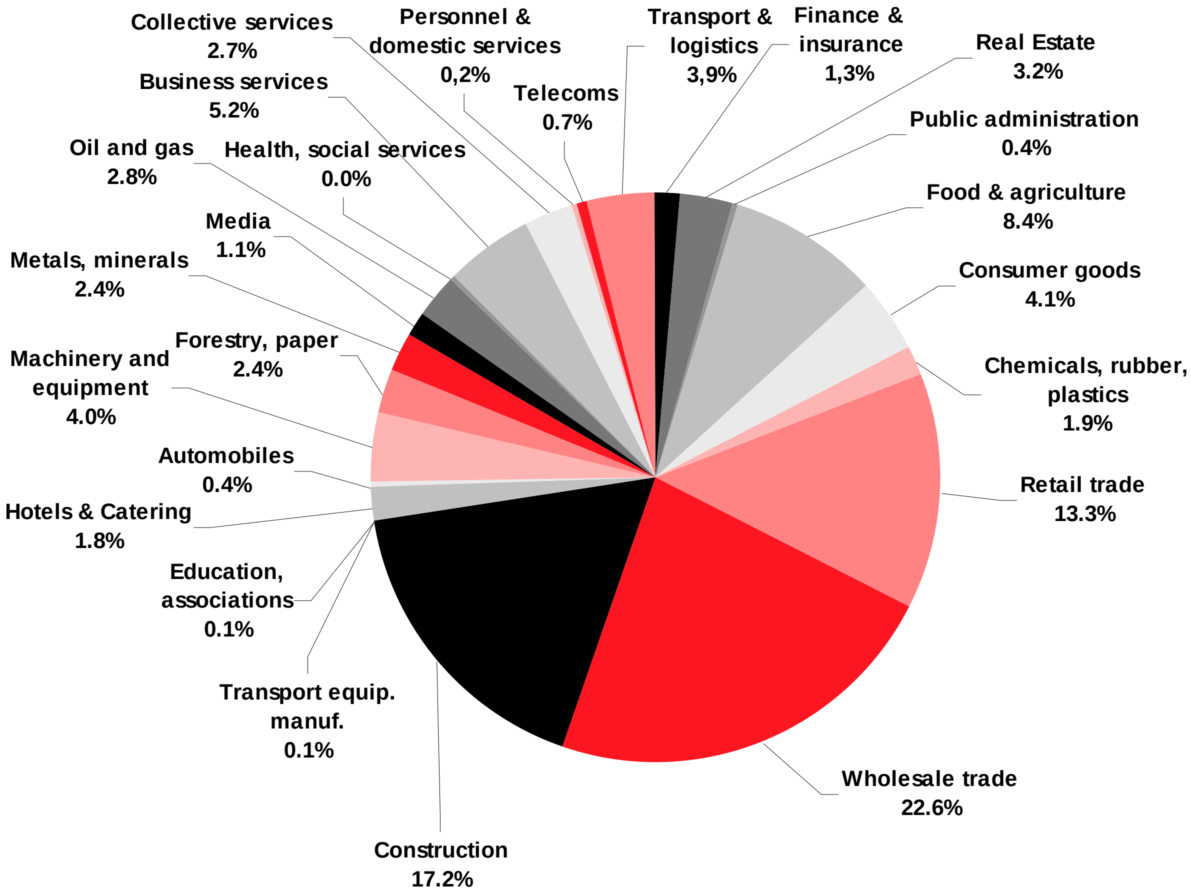
## Corporate EADs: EUR 10bn



# BRD (Romania): Loan commitments

## Sector breakdown of BRD corporate commitments at Dec 31st 2008

## Corporate EADs: EUR 4bn

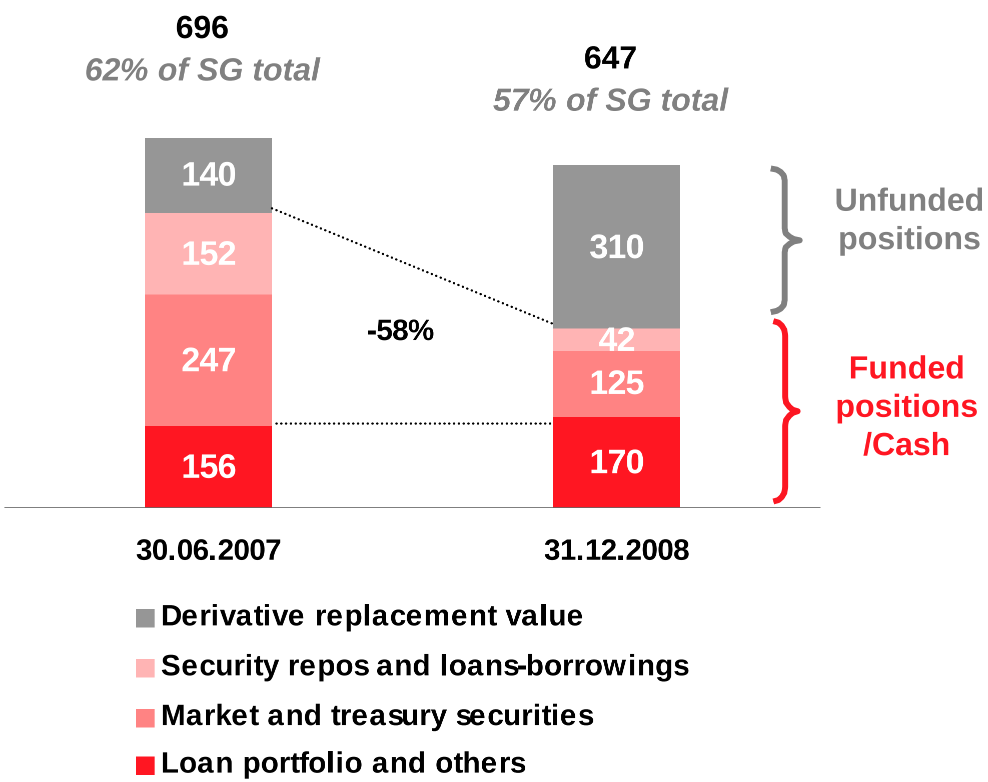




# SG CIB: On-going balance sheet de-risking

- **Significant efforts made since beginning of the crisis to reduce balance sheet size**
  - Proactive reduction of "repo and securities" positions: -58% vs. Q2 07 and of assets at risk …
  - … but mechanical rise in the replacement value of derivatives linked to credit spread widening and decline in interest rates : +121% vs. Q2 07
- **Q1-09: ongoing optimisation of balance sheet management**
- **Constraining size of less liquid positions**
  - Maintaining positions when having expertise to manage them, and if not, adjusting maturity of associated refinancing
  - Reducing/Optimizing liquidity gap with increased conservativeness

**Change in CIB assets (period-end - EUR bn)**




* Estimate based on the main differences between IFRS / US GAAP