

PRESS RELEASE

Paris, 3rd March 2017

ALD REPORTS 2016 RESULTS

- **ANOTHER YEAR OF ROBUST GROWTH IN FLEET SIZE, TOTAL INCOME AND NET INCOME**
- **STRONG OPERATING AND FINANCIAL PERFORMANCE CONFIRMING THE STRENGTH AND RECURRENCE OF THE GROUP'S BUSINESS MODEL**
- **ACCELERATION IN THE DEPLOYMENT OF INNOVATIVE MOBILITY SOLUTIONS ACROSS THE GROUP**

- **ALD 2016 RESULTS HIGHLIGHTS**
 - ✓ **Fleet growth** of +14% with approximately 1.4 million vehicles managed worldwide
 - ✓ **Total Income** up +6.1 % to EUR 1,244.2 million
 - ✓ **Cost of risk** remains low at 18 bps for 2016 (in % of net earning assets)
 - ✓ **Net Income (group share)** for 2016 at EUR 511.7 million (up +21%)

- **KEY STRATEGIC & OPERATIONAL DEVELOPMENTS OF THE YEAR**
 - ✓ Acceleration of **fleet growth** mainly driven by organic growth (+105,000 new vehicles) and the acquisition in France of Parcours Group (64,000 vehicles)
 - ✓ Active **development and roll-out of innovative solutions** to lead the change in an evolving mobility environment
 - ✓ **High service quality standards** recognized with numerous industry awards
 - ✓ Establishment of **new alliances** with Autocorp and Arrend, two Latin-American leaders
 - ✓ **Continued development** of the Group's online remarketing platform for used vehicles; more than half of the Group's 240,000 used cars sales in 2016 were executed through this platform
 - ✓ **Stable source of funding** at EUR 12.9 billion; BBB rating with stable outlook, reflecting the Group's ability to deliver significant growth while maintaining an attractive credit profile

On 3rd March 2017, **Mike Masterson**, ALD CEO, commented on the 2016 results:

"Keeping the momentum of the past six years, ALD delivered in 2016, another year of strong growth in fleet size, further demonstrating its leadership position. This performance is all the more satisfactory in that it was achieved while maintaining a rapid expansion of our profitability, thereby confirming the efficiency of our organization and business model. In a fast moving mobility environment, ALD is successfully positioning itself as a pioneer in innovative mobility solutions and is ideally placed to capture new growth opportunities."

ALD is the parent company of the ALD Automotive group (the 'Group' or 'ALD Automotive').

A GLOBAL LEADER IN FLEET MANAGEMENT SERVICES & MOBILITY SOLUTIONS

ALD is a leading international provider, in terms of number of vehicles, of full service vehicle leasing and fleet management services to corporate customers and, more recently, to private individuals.

With a direct presence in 41 countries and with top 3 positions in 26 countries, ALD is ranked #3 globally and #1 in Europe by number of vehicles under management as at 31 December 2016 with around 1.4 million vehicles under full service vehicle leasing and fleet management service contracts. This strong geographical coverage provides ALD Automotive with high customer visibility, which helps to ensure that it is involved in significant global tenders for its services. ALD's strength in indirect channels through white label partnerships with banks and car manufacturers underpins its performance in international markets.

Its objective is to be the global leader in the provision and delivery of mobility solutions.

A LONG STANDING GROWTH TRAJECTORY DRIVEN BY INCREASING DEMAND FOR OUTSOURCED FLEET MANAGEMENT SOLUTIONS

ALD has recorded a strong growth of its fleet over the last 6 years (+8.4% CAGR since 2011), outperforming its competitors, due to its size and leadership position.

The Group's continuous ability to increase corporate client revenues through direct sales (71% of the fleet), and indirect sales through white label partnerships with banks and car manufacturers (29% of the fleet) represents a key differentiating factor and significant growth driver.

The Group has also continued to strengthen its presence in Central Eastern Europe (+10.7% CAGR since 2011) and South America, Africa & Asia (+17.2% CAGR since 2011).

ALD has demonstrated its ability to successfully integrate new acquisitions such as Parcours Group acquired in France in 2016 (c.64,000 vehicles).

ALD's robust risk management framework in setting residual values and strong remarketing expertise has generated strong car sales result on an on-going basis.

The B2C segment (private lease) represents a key growth driver going forward and ALD is ideally positioned to capture this opportunity. ALD is already present in this segment in the UK and Italy and expects to exceed 150,000 B2C leasing contracts by 2019.

ALD IS POSITIONED AT THE FOREFRONT OF INNOVATION TO LEAD THE CHANGE IN AN EVOLVING MOBILITY ENVIRONMENT

The offering of mobility solutions is evolving rapidly with the emergence of new players, new solutions and breakthrough technologies. In light of these trends, ALD Automotive is positioning itself to be at the centre of this changing environment by proposing flexible solutions to meet the evolving mobility requirements of its customers.

Among the various innovation initiatives that the company has focused on in the last year are:

- Deployment of a new Driver and Fleet Manager portal ('myALD') to provide a central access point for clients to all fleet related information;
- Development of in-house Telematics platform ('Profleet') to be rolled out across the Group in 2017;
- Car Sharing solution ('ALD Sharing') provides an application to allow customers to provide access to and internally manage a pool of vehicles using online tools and keyless vehicle entry;
- Rechargeable lease ('Ricaricar') allows a customer to lease a car with a predetermined (low) monthly kilometre level – this kilometre level can be increased ('recharged') similar to a 'pay as you go' mobile phone product to meet changing patterns of vehicle usage; and
- Flexible mobility budgets ('ALD Free') allowing employees to allocate specified budgets among a choice of different mobility options.

[Full details of our financial results for the year ended 31 December 2016 are available on our website at www.ALDAutomotive.com](http://www.ALDAutomotive.com)

SELECTED FINANCIAL FIGURES

(in EUR million)	2011 ⁽¹⁾	2012 ⁽¹⁾	2013 ⁽¹⁾	2014 ⁽¹⁾	2015 ⁽¹⁾	2016 ⁽¹⁾⁽²⁾
Services margin	335.9	378.5	432.2	445.4	534.0	528.6
Financial margin	307.9	315.2	331.2	401.6	465.8	503.2
Car sales result & depreciation margin	14.9	21.6	100.2	132.6	173.0	212.4
Total Income	658.7	715.3	863.6	979.7	1,172.8	1,244.2
% change		8.6%	20.7%	13.4%	19.7%	6.1%
Cost-income ratio	55.8%	54.5%	47.3%	45.8%	41.9%	44.5%
Net Income (Group Share)	182.8	206.8	298.4	375.5	424.3	511.7
% change		13.1%	44.3%	25.8%	13.0%	20.6%
Return on Average Earning Assets	2.1%	2.2%	3.0%	3.6%	3.7%	3.8%
Return on Equity	17.3%	16.1%	19.3%	20.0%	15.5%	17.2%
Total Fleet ('000)	917	955	1,009	1,107	1,207	1,376
% change		4.2%	5.6%	9.8%	9.0%	14.0%
Earning Assets	9,280	9,736	9,904	10,707	12,163	14,588
Shareholders' equity (Group Share)	1,056	1,283	1,549	1,882	2,730	2,978

⁽¹⁾ The format of the consolidated income statement has been changed to improve the understanding of the Group's financial results and performance.

⁽²⁾ Unaudited figures

OUTLOOK

The Group expects the following performance for the next three years:

- total fleet is expected to grow annually at approximately 8-10%
- services margin and financial margin to grow annually at approximately 8 – 10%, increasing their share of total income.
- post tax return on average earning assets is targeted to be superior to 3.5% over the period 2017-2019
- dividend distribution is targeted in the 35%-40% range of the group share of net income

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Societe Generale

Societe Generale is one of the largest European financial services groups. Based on a diversified universal banking model, the Group combines financial solidity with a strategy of sustainable growth, and aims to be the reference for relationship banking, recognised on its markets, close to clients, chosen for the quality and commitment of its teams.

Societe Generale has been playing a vital role in the economy for 150 years. With more than 148,000 employees, based in 76 countries, we accompany 32 million clients throughout the world on a daily basis. Societe Generale's teams offer advice and services to individual, corporate and institutional customers in three core businesses:

- **Retail banking in France** with the Societe Generale branch network, Credit du Nord and Boursorama, offering a comprehensive range of multichannel financial services at the leading edge of digital innovation;
- **International retail banking, financial services and insurance** with a presence in emerging economies and leading specialised businesses;
- **Corporate and investment banking, private banking, asset management and securities services**, with recognized expertise, top international rankings and integrated solutions.

Societe Generale is included in the main socially responsible investment indices: FTSE4Good (Global and Europe), Euronext Vigeo (Global, Europe, Eurozone and France), ESI Excellence (Europe) from Ethibel and 4 of the STOXX ESG Leaders indices.

For more information, you can follow @societegenerale on Twitter or visit www.SocieteGenerale.com.

ALD

ALD is the operational leasing and fleet management business line of Societe Generale the largest providers in Europe and a company of reference on its market:

- Operates directly in 41 countries,
- Employs over 6,000 persons,
- Manages 1,376,000 vehicles (at 31 December 2016).

Combining professionalism and quality of services provides companies with value-added integrated solutions at both national and international levels.

For more information, you can follow us on [LinkedIn](https://www.linkedin.com/company/ald) or visit www.ALDAutomotive.com.