

SOCIETE GENERALE ANNOUNCES AN AGREEMENT FOR THE SALE OF SKB BANKA (SLOVENIA) AND ITS SUBSIDIARIES TO OTP BANK

Press release

Paris, 3 May 2019

Societe Generale announces the signing of an agreement for the sale of SKB Banka (Slovenia) and its subsidiaries (*) to OTP Bank. The completion of the transaction is subject to obtaining the authorizations of the competent banking (Bank of Slovenia and European Central Bank) and antitrust authorities. It should occur in the coming months.

The sale of SKB Banka is expected to have a positive impact on the Group's CET1 ratio of around 7 basis points and to reduce the Group's risk weighted assets by around EUR 2.3 billion. This transaction will also have a negative impact of EUR 67 million on the Group's first-half 2019 results, due to goodwill impairment.

Slovenia will be part of the cooperation agreement signed between Societe Generale and OTP Bank that encompasses the provision of mutual services in various fields (including, but not limited to investment banking, capital markets, financing cash and liquidity management).

Philippe Heim, Deputy Chief Executive Officer of Societe Generale Group in charge of International Retail Banking activities, Financial Services and Insurance, comments: *"This transaction is in line with the Group's refocusing strategy, which aims to achieve a positive effect of + 80-90 basis points on its CET1 ratio by 2020. I welcome the strategic agreement reached with OTP which will allow us to continue to serve our clients in Slovenia and in many Balkan countries in various fields including investment banking, capital markets, corporate banking, cash and liquidity management. Societe Generale will sustain a dynamic and profitable growth in its International Retail Banking activities, leveraging on its subsidiaries in Eastern Europe, particularly in the Czech Republic and Romania, Russia and Africa"*.

(*) SKB Leasing and SKB Leasing Select. ALD, specialist in fleet management, remains in Slovenia.

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Societe Generale

Societe Generale is one of the leading European financial services groups. Based on a diversified and integrated banking model, the Group combines financial strength and proven expertise in innovation with a strategy of sustainable growth, aiming to be the trusted partner for its clients, committed to the positive transformations of society and the economy.

Active in the real economy for over 150 years, with a solid position in Europe and connected to the rest of the world, Societe Generale has over 149,000 members of staff in 67 countries and supports on a daily basis 31 million individual clients, businesses and institutional investors around the world by offering a wide range of advisory services and tailored financial solutions. The Group is built on three complementary core businesses:

- **French Retail Banking** which encompasses the Societe Generale, Crédit du Nord and Boursorama brands. Each offers a full range of financial services with omnichannel products at the cutting edge of digital innovation;
- **International Retail Banking, Insurance and Financial Services to Corporates**, with networks in Africa, Russia, Central and Eastern Europe and specialised businesses that are leaders in their markets;
- **Global Banking and Investor Solutions**, which offers recognised expertise, key international locations and integrated solutions.

Societe Generale is included in the principal socially responsible investment indices: DJSI (World and Europe), FTSE4Good (Global and Europe), Euronext Vigeo (World, Europe and Eurozone), four of the STOXX ESG Leaders indices, and the MSCI Low Carbon Leaders Index.

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