SOCIETE GENERALE

PRESS RELEASE

QUARTERLY FINANCIAL INFORMATION

Paris, November 8th, 2018

Q3 18: CONFIRMATION OF A GOOD LEVEL OF PROFITABILITY: ROTE[(1)] OF 11.0% IN Q3 18 AND 11.0% IN 9M 18

HIGHLIGHTS

9.0%[(1)] increase in Group revenues in Q3 18 (+4.4% excluding the revaluation of Euroclear securities), driven primarily by International Retail Banking & Financial Services, the rebound in Global Markets and the strong momentum in Financing & Advisory

Costs in line with the 2018 target in French Retail Banking and **positive jaws effect** in International Retail Banking & Financial Services and Global Banking & Investor Solutions

Good level of **profitability: ROTE[(1)] of 11.0%** in Q3 18 and 11.0% in 9M 18

Continued **refocusing** of the Group through the **signing of an agreement for the disposal of Euro Bank (Poland)**

Further **progress in the resolution of litigation issues**

Further **strengthening** of the **balance sheet** and **risk profile**

The Group's engagement in **positive transformation processes** recognised through several prizes and awards

KEY FINANCIAL DATA

- Q3 18 **revenues**[(1)]: EUR 6,530m (+9.0% vs. Q3 17); 9M 18: EUR 19,278m (+2.4% vs. 9M 17)
- Q3 18 **operating expenses**[(1)]: EUR 4,374m (+5.2% vs. Q3 17); 9M 18: EUR 12,968m (+2.5% vs. 9M 17)
- Q3 18 **Group net income**[(1)]: EUR 1,252m (+16.1% vs. Q3 17); 9M 18: EUR 3,721m (+2.9% vs. 9M 17)
- Q3 18 **Group book net income**: EUR 1,234m (+32.4% vs. Q3 17); 9M 18: EUR 3,240m (+18.4% vs. 9M 17)
- **Fully-loaded CET1 ratio**: 11.2%
- 9M 18 **Earnings Per Share**: EUR 3.62; **dividend provision**: EUR 1.81 (50% payout ratio)

Fréderic Oudéa, the Group's Chief Executive Officer, commented:

"Societe Generale published solid results in Q3 18, with a good level of profitability. Our revenues increased due to the confirmed growth in International Retail Banking & Financial Services and the healthy momentum in Financing & Advisory and market activities. The Group pursued its disciplined approach to cost management and the low cost of risk confirms the quality of our loan portfolio. The Group put an end this quarter to the financial impact of the major litigation issues with the US authorities relating to the pre-financial crisis period. Finally, the Group continued to optimise its portfolio of activities, with the announcement of the disposal of its Polish subsidiary. On the back of these various developments and its recognition as one of the most socially responsible banks in Europe, the Group is determinedly and confidently pursuing the implementation of its strategic plan".

*The footnote * in this document corresponds to data adjusted for changes in Group structure and at constant exchange rates.*
(1) Underlying data. See methodology note 5 for the transition from accounting data to underlying data.

1. GROUP CONSOLIDATED RESULTS

In EUR m	Q3 18	Q3 17	Change		9M 18	9M 17	Change	
Net banking income	**6,530**	**5,958**	***+9.6%***	***+9.9%****	**19,278**	**17,631**	***+9.3%***	***+10.9%****
Underlying net banking income(1)	*6,530*	*5,993*	*+9.0%*	*+9.2%**	*19,278*	*18,834*	*+2.4%*	*+3.7%**
Operating expenses	**(4,341)**	**(4,001)**	***+8.5%***	***+8.6%****	**(13,473)**	**(12,814)**	***+5.1%***	***+6.6%****
Underlying operating expenses(1)	*(4,374)*	*(4,157)*	*+5.2%*	*+5.4%**	*(12,968)*	*(12,657)*	*+2.5%*	*+3.8%**
Gross operating income	**2,189**	**1,957**	***+11.9%***	***+12.4%****	**5,805**	**4,817**	***+20.5%***	***+22.7%****
Underlying gross operating income(1)	*2,156*	*1,836*	*+17.4%*	*+18.0%**	*6,310*	*6,178*	*+2.1%*	*3.5%**
Net cost of risk	**(264)**	**(512)**	***-48.4%***	***-48.3%****	**(642)**	**(880)**	***-27.0%***	***-24.0%****
Underlying net cost of risk (1)	*(264)*	*(212)*	*+24.5%*	*+25.3%**	*(642)*	*(680)*	*-5.6%*	*-0.3%**
Operating income	**1,925**	**1,445**	***+33.2%***	***+34.1%****	**5,163**	**3,937**	***+31.1%***	***+33.0%****
Underlying operating income(1)	*1,892*	*1,624*	*+16.5%*	*+17.1%**	*5,668*	*5,498*	*+3.1%*	*+3.9%**
Net profits or losses from other assets	**2**	**72**	***-97.2%***	***-97.2%****	**(39)**	**317**	***n/s***	***n/s***
Income tax	(539)	(459)	+17.4%	+16.8%*	(1,425)	(1,150)	+23.9%	+25.4%*
Reported Group net income	**1,234**	**932**	***+32.4%***	***+35.9%****	**3,240**	**2,737**	***+18.4%***	***+23.2%****
Underlying Group net income(1)	*1,252*	*1,079*	+16.1%	+18.7%*	*3,721*	*3,616*	+2.9%	+6.1%*
ROE	**9.3%**	**6.9%**			**8.1%**	**6.6%**		
ROTE	**10.9%**	**8.1%**			**9.6%**	**7.7%**		
Underlying ROTE (1)	*11.0%*	*9.5%*			**11.0%**	*10.4%*		
Underlying Cost/Income(1)	*67%*	*69%*			*67%*	*67%*		

(1) Adjusted for non-economic items (in Q3 17 and 9M 17), exceptional items and linearisation of IFRIC 21.

Societe Generale's Board of Directors, which met on November 7th, 2018 under the chairmanship of Lorenzo Bini Smaghi, examined the results for Q3 and 9M 2018 of the Societe Generale Group.

The various restatements enabling the transition from underlying data to published data are presented in the methodology notes (section 10.5).

Net banking income: EUR 6,530m (+9.6% vs. Q3 17), EUR 19,278m (+9.3% vs. 9M 17)

Underlying net banking income was significantly higher (+9.0%) in Q3 18 (+4.4% excluding the revaluation of Euroclear securities) at EUR 6,530 million vs. EUR 5,993 million in Q3 17. In 9M 18, underlying net banking income totalled EUR 19,278 million, up +2.4% (+0.9% excluding the revaluation of Euroclear securities) vs. EUR 18,834 million in 9M 17.

- French Retail Banking revenues were up +1.8% in Q3 18 (+2.3% vs. Q3 17 excluding changes in the PEL/CEL provision) and down -0.3% in 9M 18 (-0.6% vs. 9M 17 excluding PEL/CEL provision), driven by dynamic commissions in an environment still characterised by low interest rates.

- International Retail Banking & Financial Services' net banking income was significantly higher (+7.3%, +8.0%*) in Q3 18 vs. Q3 17 and up +5.1% (+6.4%*) in 9M 18 vs. 9M 17, driven by the growth in activities across all businesses and geographical regions.

- Global Banking & Investor Solutions' revenues were higher in Q3 18 (+7.7%) than in Q3 17 due to a rebound in Global Markets and the healthy momentum in Financing & Advisory activities, and slightly lower in 9M 18 (-2.5%) vs. 9M 17.

In accordance with IFRS 9, the variation in the revaluation of the Group's own financial liabilities is no longer recognised in profit or loss for the period. Consequently, in 2018, the Group no longer restates its earnings for non-economic items.

Operating expenses: EUR -4,341m (+8.5% vs. Q3 17), EUR -13,473m (+5.1% vs. 9M 17)

Underlying operating expenses amounted to EUR -4,374 million in Q3 18 vs. EUR -4,157 million in Q3 17 (+5.2%) and EUR -12,968 million in 9M 18 vs. EUR -12,657 million in 9M 17 (+2.5%).

The increase in operating expenses is in line with the full-year target in French Retail Banking. Efforts to support growth in International Retail Banking & Financial Services and Global Banking & Investor Solutions resulted in a positive jaws effect between revenue growth and the increase in costs.

The provision for disputes was the subject of an allocation of EUR -136 million in Q3 18, recorded in operating expenses. The balance of the provision for disputes was EUR 1.58 billion at September 30th, 2018.

Gross operating income: EUR 2,189m (+11.9% vs. Q3 17), EUR 5,805m (+20.5% vs. 9M 17)

Underlying gross operating income totalled EUR 2,156 million in Q3 18 (EUR 1,836 million in Q3 17) and EUR 6,310 million in 9M 18 (EUR 6,178 million in 9M 17).

Cost of risk(1): EUR -264m in Q3 18, EUR -642m in 9M 18

The Group's underlying net cost of risk amounted to EUR -264 million in Q3 18 (EUR -212 million in Q3 17) and EUR -642 million in 9M 18 (EUR -680 million in 9M 17).

The commercial cost of risk (expressed as a fraction of outstanding loans) was higher in Q3 18 at 22 basis points (17 basis points in Q3 17) and stable at a low level of 18 basis points in 9M 18 (19 basis points in 9M 17).

- In French Retail Banking, the commercial cost of risk amounted to 25 basis points in Q3 18 (22 basis points in Q3 17) due to a selective origination policy, in a favourable economic environment.

- International Retail Banking & Financial Services' cost of risk stood at a low level of 37 basis points (33 basis points in Q3 17) and benefited from provision write-backs in the Czech Republic and Romania.

- Global Banking & Investor Solutions' cost of risk amounted to 4 basis points (-1 basis point in Q3 17) in an environment still characterised by a low level of impairments and reclassifications as performing loans.

The 2018 target is a cost of risk of between 20 and 25 basis points.

The gross doubtful outstandings ratio stood at 3.8% at end-September 2018 (4.5% at end-September 2017). The Group's gross coverage ratio for doubtful outstandings stood at 55%(2) at end-September 2018 (stable vs. June 30th, 2018).

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(1) 2018 figures established according to IFRS 9, 2017 figures established according to IAS 39, figures restated for the transfer of Global Transaction and Payment Services from French Retail Banking to Global Banking & Investor Solutions.

(2) Ratio between the amount of provisions on doubtful outstandings and the amount of these same outstandings.

Operating income: EUR 1,925m (+33.2% vs. Q3 17), EUR 5,163m (+31.1% vs. 9M 17)

Underlying operating income totalled EUR 1,892 million in Q3 18 (EUR 1,624 million in Q3 17) and EUR 5,668 million in 9M 18 (EUR 5,498 million in 9M 17).

Net income

In EUR m	Q3 18	Q3 17	9M 18	9M 17
Reported Group net income	1,234	932	3,240	2,737
Underlying Group net income(1)	1,252	1,079	3,721	3,616

In %	Q3 18	Q3 17	9M 18	9M 17
ROTE (reported)	10.9%	8.1%	9.6%	7.7%
Underlying ROTE(1)	11.0%	9.5%	11.0%	10.4%

Earnings per share amounts to EUR 3.62 in 9M 18 (EUR 3.12(2) in 9M 17). The dividend provision amounts to EUR 1.81 in 9M 18 corresponding to a 50% payout ratio.

(1) Adjusted for non-economic items (in 2017), exceptional items and effect of the linearisation of IFRIC 21
(2) Excluding non-economic items (gross EPS of EUR 2.98 in 9M 17)

2. THE GROUP'S FINANCIAL STRUCTURE

Group **shareholders' equity** totalled EUR 60.1 billion at September 30th, 2018 (EUR 59.4 billion at December 31st, 2017; EUR 58.4 billion(1) at January 1st, 2018). Net asset value per share was EUR 63.40 and tangible net asset value per share was EUR 54.47.

The **consolidated balance sheet** totalled EUR 1,304 billion at September 30th, 2018 (EUR 1,274 billion at January 1st, 2018(1), EUR 1,275 billion at December 31st, 2017). The net amount of customer loan outstandings at September 30th, 2018, including lease financing, was EUR 410 billion (EUR 396 billion at January 1st, 2018, EUR 404 billion at December 31st, 2017) – excluding assets and securities sold under repurchase agreements. At the same time, customer deposits amounted to EUR 393 billion at September 30th, 2018, vs. EUR 395 billion at January 1st, 2018 and December 31st, 2017 (excluding assets and securities sold under repurchase agreements).

At September 30th, 2018, the parent company had issued EUR 32.4 billion of medium/long-term debt, having an average maturity of 4.7 years and an average spread of 26.9 basis points (vs. the 6-month mid-swap, excluding subordinated debt). The subsidiaries had issued EUR 3.3 billion. At September 30th, 2018, the Group had issued a total of EUR 35.7 billion of medium/long-term debt. The LCR (Liquidity Coverage Ratio) was well above regulatory requirements at 131% at end-September 2018 vs. 127% at end-June 2018. At the same time, the NSFR (Net Stable Funding Ratio) was over 100% at end-September 2018.

The Group's **risk-weighted assets** (RWA) amounted to EUR 364.7 billion at September 30th, 2018 (vs. EUR 353.3 billion at end-December 2017) according to CRR/CRD4 rules. Risk-weighted assets in respect of credit risk represent 82.2% of the total, at EUR 299.8 billion, up +3.6% vs. December 31st, 2017.

At September 30th, 2018, the Group's fully-loaded **Common Equity Tier 1** ratio stood at 11.2%(2) (11.1% at June 30th, 2018, 11.4% at end-December 2017) up 8 basis points vs. June 30th, 2018. The Tier 1 ratio stood at 13.7% at end-September 2018 and the total capital ratio amounted to 16.9%.

Items eligible for the TLAC ratio represent 22.8% of RWA and 6.9% of leveraged exposure at end-September, which is already above the FSB's respective requirements for 2019 (19.5% and 6%). In addition, items eligible for the MREL ratio also enable the Group to comply with the minimum level notified by the SRB, i.e. 8% of the TLOF(3). This level of 8% of the TLOF represented 24.36% of RWA at end-December 2016, which served as a reference for the SRB calibration.

The **leverage ratio** stood at 4.1% at September 30th, 2018 (4.3% at end-December 2017).

The Group is rated by five rating agencies: (i) DBRS - long-term rating (senior preferred debt) "A (high)", positive trends, short-term rating "R-1 (middle)"; (ii) FitchRatings - long-term rating "A", stable outlook, senior preferred debt rating "A+", short-term rating "F1"; (iii) Moody's – long-term rating (senior preferred debt) "A1", stable outlook, short-term rating "P-1"; (iv) R&I - long-term rating (senior preferred debt) "A", stable outlook; and (v) S&P Global Ratings - long-term rating (senior preferred debt) "A", outlook raised to positive on October 24th, 2018, short-term rating "A-1".

(1) Balances at January 1st, 2018 after first-time application of IFRS 9 except for subsidiaries in the insurance sector

(2) The phased-in ratio, including earnings for the current financial year amounts to 11.2% at end-September 2018 vs. 11.6% at end-December 2017 and 11.9% at end-September 2017

(3) TLOF: Total Liabilities and Own Funds

3. FRENCH RETAIL BANKING

In EUR m	Q3 18	Q3 17	Change	9M 18	9M 17	Change
Net banking income	**1,949**	**1,914**	***+1.8%***	**5,948**	**5,963**	***-0.3%***
Net banking income excl. PEL/CEL	*1,942*	*1,898*	*+2.3%*	*5,913*	*5,946*	*-0.6%*
Operating expenses	(1,358)	(1,339)	*+1.4%*	(4,199)	(4,111)	*+2.1%*
Gross operating income	**591**	**575**	***+2.8%***	**1,749**	**1,852**	***-5.6%***
Gross Operating Income excl. PEL/CEL	*584*	*559*	***+4.4%***	*1,714*	*1,835*	*-6.6%*
Net cost of risk	(119)	(105)	***+13.3%***	(346)	(363)	*-4.7%*
Operating income	472	470	***+0.4%***	1,403	1,489	*-5.8%*
Reported Group net income	**320**	**320**	***+0.0%***	**955**	**1,021**	***-6.5%***
RONE	**11.4%**	**11.6%**		**11.3%**	**12.5%**	
Underlying RONE (1)	**10.6%**	**12.7%**		**11.3%**	**13.3%**	
Underlying Cost/Income (1)	***71%***	***69%***		***71%***	***68%***	

(1) Adjusted for linearisation of IFRIC 21, PEL/CEL provision and adjustment of hedging costs in Q3 17 and 9M 17

French Retail Banking delivered a resilient performance in Q3 18, against the backdrop of a persistently low interest rate environment and the transformation of the French networks.

Activity and net banking income

French Retail Banking's three brands, Societe Generale, Crédit du Nord and Boursorama, enjoyed a solid commercial momentum in Q3 18.

Boursorama consolidated its position as the leading online bank in France, with nearly 1.6 million clients at end-September 2018.

The Societe Generale and Crédit du Nord networks strengthened their franchises on the Group's target customers.

In the case of mass affluent and wealthy clients, French Retail Banking is supported by a solid private banking platform, with the number of clients up +5.1% at end-August 2018 (vs. end-August 2017). Private Banking in France recorded net inflow of EUR 3.1 billion in the first nine months of the year and a 3.9% increase in outstandings in Q3 18 vs. Q3 17 to EUR 64.3 billion (including Crédit du Nord).

Bancassurance enjoyed buoyant activity, with net inflow of EUR 411 million. Outstandings were up +2.0% at EUR 94 billion, with the unit-linked share accounting for 25%.

In the Business customer segment, French Retail Banking continued to develop its expertise in order to serve its customers, with the rollout of 4 regional business centres at end-October. The number of business customers increased by 1% vs. Q3 17.

In the case of Professional customers, Societe Generale continued to strengthen its expertise/proximity-based model, with the opening of three new "Pro Corners" (*espaces pro*) in Q3 18. The number of professional customers in French Retail Banking grew by 1% vs. Q3 17.

In a low interest rate environment, the Group confirmed its selective origination strategy.

Housing loan production totalled EUR 4.9 billion in Q3 18, down -10.5% vs. Q3 17 but up +12.0% vs. Q2 18. Consumer loan production remained dynamic in Q3 18, with an increase of +2.6% vs. Q3 17 and +11.1% over nine months.

Outstanding loans to individuals totalled EUR 110.3 billion and rose +3.0% in Q3 18 vs. Q3 17.

Corporate investment loan production was particularly dynamic in Q3 18, up +18.0% at EUR 3.5 billion, with an increase in average investment loan outstandings of +4.2% vs. Q3 17.

Overall, average loan outstandings rose +3.5% vs. Q3 17 to EUR 186.7 billion. Average outstanding balance sheet deposits came to EUR 201.5 billion in Q3 18, up +3.0% vs. Q3 17, driven by sight deposits (+8.2%). As a result, the average loan/deposit ratio stood at 93% in Q3 18 (vs. 92% in Q3 17).

French Retail Banking posted net banking income (after neutralising the impact of PEL/CEL provisions) of EUR 1,942 million in Q3 18, up +2.3% vs. Q3 17. In 9M 18, net banking income was down -0.6%. Published net banking income (after neutralising the impact of PEL/CEL provisions) is expected to be slightly lower (between -1% and -2%) in 2018 than in 2017 (EUR 7,982 million).

When restated for the impact of the adjustment of hedging costs (EUR -88 million in Q3 17), net banking income (after neutralising the impact of PEL/CEL provisions) was down -2.2% in Q3 18 and -2.0% in 9M 18.

This trend reflects the strong fee momentum (+3.6% vs. Q3 17 and +1.7% vs. 9M 17), with a good performance by service commissions and a pick-up in financial commissions particularly in Private Banking and Insurance. This healthy momentum was offset by the impact of the low interest rate environment on net interest income excluding PEL/CEL provision (+1.1% vs. Q3 17 and -4.4% vs. 9M 17, with a contraction of 7.2% in Q3 18 and 7.0% in 9M 18 when restated for the impact of the adjustment of hedging costs in Q3 17).

Operating expenses

French Retail Banking's operating expenses totalled EUR 1,358 million, up +1.4% vs. Q3 17.

In 9M 18, they were up +2.1%, in line with the expected increase in underlying operating expenses of less than 3% for the year, and reflect the acceleration of investments in the digital transformation process and the development of growth drivers.

As part of its transformation plan, the Group notably closed 75 branches over nine months. At the same time, the Group continued to digitalise the banking networks, with the ongoing dematerialisation of the offering.

The cost to income ratio stood at 71.3% in Q3 18, after linearisation of the IFRIC 21 charge (70.6% in 9M 18).

Operating income

The net cost of risk increased by 13.3% in Q3 18 vs. Q3 17 and remained at a low level of 25bp. Operating income came to EUR 472 million in Q3 18 (+0.4% vs. Q3 17). In 9M 18, French Retail Banking posted operating income of EUR 1,403 million (EUR 1,489 million in 9M 17).

Contribution to Group net income

French Retail Banking's contribution to Group net income amounted to EUR 320 million in Q3 18 (EUR 320 million in Q3 17). The return on normative equity after linearisation of the IFRIC 21 charge and restated for the PEL/CEL provision came to 10.6% (vs. 12.7% in Q3 17 restated for the adjustment of hedging costs). In 9M 18, the contribution to Group net income amounted to EUR 955 million (EUR 1,021 million in 9M 17).

In 9M 18, underlying RONE amounted to 11.3%.

4. INTERNATIONAL RETAIL BANKING & FINANCIAL SERVICES

In EUR m	Q3 18	Q3 17	Change		9M 18	9M 17	Change	
Net banking income	**2,092**	**1,949**	***+7.3%***	***+8.0%****	6,156	**5,857**	***+5.1%***	***+6.4%****
Operating expenses	(1,100)	(1,051)	*+4.7%*	*+5.4%**	(3,381)	(3,236)	*+4.5%*	*+6.3%**
Gross operating income	**992**	**898**	***+10.5%***	***+11.0%****	**2,775**	**2,621**	***+5.9%***	***+6.4%****
Net cost of risk	(124)	(111)	*+11.7%*	*+13.1%**	(290)	(281)	*+3.2%*	*+16.4%**
Operating income	868	787	*+10.3%*	*+10.7%**	2,485	2,340	*+6.2%*	*+5.4%**
Net profits or losses from other assets	2	0	*n/s*	*x 21.1*	6	33	*-81.8%*	*-82.7%**
Reported Group net income	**532**	**493**	***+7.9%***	***+12.0%****	**1,502**	**1,489**	***+0.9%***	***+4.7%****
RONE	18.9%	18.0%			17.6%	17.8%		
Underlying RONE (1)	**18.2%**	**17.4%**			**17.9%**	**17.9%**		
Underlying Cost/Income (1)	54%	56%			54%	55%		

(1) Adjusted for linearisation of IFRIC 21

Net banking income totalled EUR 2,092 million in Q3 18, up +7.3% vs. Q3 17, driven by an excellent commercial momentum in all regions and businesses. Operating expenses were up +4.7% over the period, generating a positive jaws effect. Gross operating income totalled EUR 992 million in Q3 18 (+10.5% vs. Q3 17). There was an increase of EUR 13 million in the net cost of risk but, overall, it remained low at EUR 124 million. The contribution to Group net income totalled EUR 532 million, up +7.9% vs. Q3 17.

Revenues totalled EUR 6,156 million in 9M 18, up +5.1% vs. 9M 17. Operating expenses, which included a EUR 60 million restructuring provision write-back in Q2 17, were up +4.5% vs. 9M 17. Gross operating income amounted to EUR 2,775 million (+5.9% vs. 9M 17). The net cost of risk was slightly higher (+3.2%) than in 9M 17 and the contribution to Group net income came to EUR 1,502 million (+0.9% vs. 9M 17). Underlying RONE stood at 17.9%.

On November 5th, 2018, Societe Generale signed an agreement to sell Euro Bank (Poland) to Bank Millennium. This transaction will take place in the next few months, subject to obtaining the authorisations of the relevant banking and competition authorities. This transaction will have an impact of around +8bp on the CET 1 ratio.

International Retail Banking

At end-September 2018, International Retail Banking's outstanding loans and deposits had grown at the same pace, by +6.2% (+7.0%*) and +5.8% (+6.4%*) respectively in Q3 18, to EUR 91.5 billion and EUR 82.1 billion.

The healthy commercial momentum was observed in all geographical regions, particularly in the individual customer segment, resulting in a good revenue performance. Revenues were up +8.2% (+9.9%*) vs. Q3 17, taking net banking income to EUR 1,418 million in Q3 18.

At the same time, operating expenses remained under control at EUR 792 million, with a moderate increase of +4.8% (+6.5%*). These two factors resulted in substantially higher (+12.8%, +14.5%*) gross operating income at EUR 626 million in Q3 18. The contribution to Group net income rose accordingly (+13.0% vs. Q3 17) to EUR 313 million in Q3 18.

In 9M 18, net banking income totalled EUR 4,131 million and the contribution to Group net income came to EUR 855 million, up by +5.7% (+8.8%*) and +7.4% respectively year-on-year.

In Western Europe, outstanding loans were up +11.9% vs. Q3 17, at EUR 19.5 billion, driven by buoyant automotive activity and a favourable economic environment. Revenues totalled EUR 215 million and gross operating income EUR 118 million in Q3 18; both were significantly higher (+8.6% and +12.4% respectively) than in Q3 17. The contribution to Group net income came to EUR 61 million, or +8.9% over the same period.

In the Czech Republic, there was an increase in both outstanding loans (+3.2% year-on-year, +2.2%*) and outstanding deposits (+5.2% year-on-year, +4.2%*) notably in the individual customer segment. This volume effect, combined with a rise in rates, took net banking income to EUR 284 million, up +10.1% vs. Q3 17 (+8.5%*). Disciplined management of costs, which were 3.0% higher than in Q3 17 (+1.7%*) at EUR 136 million, accelerated the growth in gross operating income which was substantially higher (+17.5%, +15.6%*) at EUR 148 million in Q3 18. Finally, the franchise made a solid contribution to Group net income of EUR 77 million in Q3 18, up +30.5% vs. Q3 17, with a EUR 11 million write-back in the net cost of risk.

In Romania, outstanding loans amounted to EUR 6.7 billion, stable at current exchange rates and slightly higher (+1.5%*) at constant exchange rates. Outstanding deposits rose +1.0% (+2.4%*), as a result of the general increase in wages, to EUR 9.4 billion in Q3 18. Against a backdrop of rising interest rates, net banking income climbed +11.4% (+13.0%*) in Q3 18 to EUR 156 million. In relative terms, operating expenses rose +5.0% (+6.3%*) to EUR 84 million. At EUR 72 million, operating performance was substantially higher (+20.0%, +21.9%*) than in Q3 17. Risks remained under control, with a stable net cost of risk vs. Q3 17. The franchise’s contribution to Group net income improved by +14.7% to EUR 39 million in Q3 18.

In other European countries, outstanding loans were up +9.0% (+8.3%*) and outstanding deposits were up +7.9% (+7.0%*) vs. Q3 17. Revenues increased by +14.5% (+13.8%*) to EUR 174 million, reflecting the good performance of all customer segments, particularly in Serbia, while operating expenses were 4.4% higher (+3.9%*). The net cost of risk remained under control in all countries, with a significant decline of -13.3% (-13.9%*). The contribution to Group net income totalled EUR 51 million, substantially higher (+41.7%) than in Q3 17.

In Russia, there was further confirmation of commercial expansion in the individual customer segment, against the backdrop of the depreciation of the rouble. As a result, outstanding loans continued on their upward trend (+11.3%* at constant exchange rates, +2.0% at current exchange rates). Deposit inflow was highly positive (+18.0%*, +9.6%), driven both by the individual and business customer segments given the surplus liquidity in the market. Net banking income for SG Russia[(1)] came to EUR 207 million in Q3 18, up +11.1%* (+0.6% at current exchange rates). Operating expenses were up +7.7%* at EUR 133 million in Q3 18 (-1.6% at current exchange rates). The net cost of risk increased by EUR 10* million and remained at a generally low level of EUR 20 million in Q3 18. SG Russia made a positive contribution to Group net income of EUR 43 million (+8.6%* at constant exchange rates vs. Q3 17, -4.5% at current exchange rates).

In Africa, Mediterranean Basin and French Overseas Territories, commercial activity was generally healthy in all the geographical regions. Outstanding loans rose +7.4% (+8.1%*) vs. Q3 17 to EUR 20.3 billion in Q3 18, with outstanding deposits up +6.5% (+7.3%*) at EUR 20.2 billion. Net banking income came to EUR 403 million, an increase of +6.3% (+8.1%*) vs. Q3 17, slightly undermined by the macro-economic difficulties encountered in Benin and Chad. The contribution to Group net income came to EUR 50 million (EUR 56 million in Q3 17), impacted by a seasonal effect on operating expenses (+9.4%, +10.6%*) and a net cost of risk up +17.4% (+19.4%*) in Q3 18.

Insurance

The Life Insurance business saw outstandings increase by +3.2%* in Q3 18 vs. Q3 17. The business also benefited from a favourable trend towards unit-linked products, with the share of unit-linked products in outstandings up +2 points vs. Q3 17 at 28%.

There was further growth in Personal Protection insurance (premiums up +8.9%* vs. Q3 17). Likewise, Property/Casualty insurance continued to enjoy strong growth (premiums up +12.4%* vs. Q3 17), especially internationally.

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(1) SG Russia encompasses the entities Rosbank, Delta Credit Bank, Rusfinance Bank, Societe Generale Insurance, ALD Automotive and their consolidated subsidiaries

The Insurance business saw net banking income increase by +2.4% vs. Q3 17 to EUR 217 million (+2.7%* when adjusted for changes in Group structure and at constant exchange rates). Operating expenses rose +5.5% (+5.8%*) vs. Q3 17, reflecting the expansion of the business and investments related to regulatory changes. The cost to income ratio remained at a low level (35.5% in Q3 18). The business' contribution to Group net income came to EUR 94 million, up +3.3% vs. Q3 17.

In 9M 18, net banking income was up +7.3% (+5.0%*) at EUR 663 million and the contribution to Group net income was 8.8% higher at EUR 273 million.

Financial Services to Corporates

Financial Services to Corporates maintained a good commercial momentum in Q3 18.

Operational Vehicle Leasing and Fleet Management experienced a substantial increase in its vehicle fleet (+9.8% vs. the end of Q3 17) to 1,626 million vehicles in Q3 18, driven by distribution channels' diversification strategy.

Equipment Finance's outstanding loans were up +5.6% (+5.9%*) in Q3 18 vs. Q3 17, at EUR 17.7 billion (excluding factoring), driven primarily by the good performance in Scandinavia.

Against this backdrop, Financial Services to Corporates' net banking income was up +7.3% in Q3 18 vs. Q3 17 at EUR 457 million (+4.8%*). Operating expenses increased by +4.1% vs. Q3 17, to EUR 231 million (+1.7%*). The net cost of risk amounted to EUR 21 million, an increase of EUR 7 million. The contribution to Group net income was EUR 125 million, stable vs. Q3 17.

In 9M 18, Financial Services to Corporates' net banking income came to EUR 1,362 million, up +2.3% vs. 9M 17. The contribution to Group net income amounted to EUR 374 million vs. EUR 442 million in 9M 17, down -15.4%, reflecting primarily the consolidation of ALD for around 80% at the time of its stock market flotation.

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5. GLOBAL BANKING & INVESTOR SOLUTIONS

In Eur m	Q3 18	Q3 17	Change		9M 18	9M 17	Change	
Net banking income	**2,178**	**2,022**	***+7.7%***	***+7.5%****	**6,805**	**6,980**	***-2.5%***	***-0.2%****
Operating expenses	(1,710)	(1,618)	*+5.7%*	*+5.6%**	(5,462)	(5,378)	*+1.6%*	*+3.7%**
Gross operating income	**468**	**404**	***+15.8%***	***+15.1%****	**1,343**	**1,602**	***-16.2%***	***-13.6%****
Net cost of risk	**(15)**	4	*n/s*	*n/s*	**5**	(37)	*n/s*	*n/s*
Operating income	453	408	*+11.0%*	*+10.4%**	1,348	1,565	*-13.9%*	*-11.4%**
Reported Group net income	**345**	**325**	***+6.2%***	***+5.4%****	**1,018**	**1,219**	***-16.5%***	***-14.2%****
RONE	**8.7%**	**8.7%**			**8.9%**	**10.7%**		
Underlying RONE (1)	**6.9%**	**7.0%**			**9.5%**	**11.3%**		
Underlying Cost/Income (1)	*83%*	*84%*			*79%*	*76%*		

(1) Adjusted for linearisation of IFRIC 21

Global Banking & Investor Solutions posted revenues of EUR 2,178 million in Q3 18, 7.7% higher than in Q3 17 (+7.5%*), reflecting the rebound in Global Markets and the excellent momentum in Financing & Advisory.

In 9M 18, the division's net banking income totalled EUR 6,805 million, down -2.5% vs. 9M 17, following a decline in H1 in Global Markets.

Global Markets & Investor Services

Global Markets & Investor Services' net banking income amounted to EUR 1,252 million in Q3 18, 7.9% higher than in Q3 17 (+7.7%*), due to the rebound in Equity activities and the good performance of Rates and Commodities, offsetting a less buoyant Credit market in Europe. In line with previous quarters, the United States and Asia delivered another excellent performance, with an improvement vs. Q3 17 due primarily to the good performance in equity derivatives. The division's net banking income totalled EUR 4,114 million in 9M 18, down -5.1% year-on-year (-2.4%*).

The revenues of **Equities and Prime Services** were up +19% in Q3 18 vs. Q3 17 at EUR 593 million, due primarily to the good performance in the United States and in structured products, which offset the lower performance of the Cash Equity activity. Revenues totalled EUR 1,948 million in 9M 18, down -0.7% vs. 9M 17.

At EUR 494 million, the revenues of **Fixed Income, Currencies & Commodities** were stable in Q3 18 vs. Q3 17. Rate activity experienced a rebound in Q3 18 against a backdrop of increased client demand. However, this business was adversely affected by low liquidity in the European Credit market during the summer. Revenues totalled EUR 1,609 million in 9M 18, down -13.4% vs. 9M 17.

Securities Services' assets under custody amounted to EUR 4,084 billion at end-September 2018, up +3.3% vs. Q3 17. Over the same period, assets under administration were down -1.6% at EUR 643 billion. Securities Services' revenues were virtually stable in Q3 18 vs. Q3 17 at EUR 165 million (-0.6%), with the good level of commissions offsetting the decline in interest income. In 9M 18, the increase was +8.4% vs. 9M 17 at EUR 557 million. This sharp rise reflects the continued healthy commercial momentum.

Financing & Advisory

Financing & Advisory's net banking income totalled EUR 692 million in Q3 18, 9.3% higher than in Q3 17 and at its highest level since 2016. Net banking income amounted to EUR 1,957 million in 9M 18 (+3.3% vs. 9M 17).

All Financing activities benefited from robust new production and posted higher revenues. Asset Financing (aircraft, shipping and real estate) continued to grow, with a higher level of new business than in 2017. The Asset Backed Products division saw further expansion, particularly in Asia. Global Transaction Banking's earnings were higher in Q3 18, with revenue growth notably for Cash Management and Correspondent Banking.

Asset and Wealth Management

The net banking income of the **Asset and Wealth Management** business line totalled EUR 234 million in Q3 18, up +2.2% vs. Q3 17, and EUR 734 million in 9M 18, down -2.4% vs. 9M 17.

Private Banking's assets under management amounted to EUR 121 billion at end-September 2018. Driven by strong inflow in France, they were up +1.3% vs. June 2018. **Private Banking** revenues totalled EUR 184 million in Q3 18, also higher (+2.2%) than in Q3 17, driven by the good performance in France. Revenues came to EUR 574 million in 9M 18, down -4.0% vs. 9M 17, impacted by the decline in international activities over the period.

Lyxor's assets under management came to EUR 125 billion in Q3 18, up +5% vs. Q2 18. Revenues totalled EUR 45 million, the same level as revenues in Q3 17. Good inflow on the Active Management component offset margin pressure in ETF activity. Revenues amounted to EUR 144 million in 9M 18, up +2.9% vs. 9M 17.

Operating expenses

Global Banking & Investor Solutions' operating expenses were up +5.7% in Q3 18 vs. the exceptionally low level in Q3 17, generating a positive jaws effect. In 9M 18, they were up +1.6% (+3.7%*).

Operating income

Gross operating income came to EUR 468 million, up +15.8% vs. Q3 17, and EUR 1,343 million in 9M 18, down -16.2% vs. 9M 17.

The net cost of risk amounted to EUR -15 million in Q3 18. In 9M 18, there was a EUR 5 million write-back in the net cost of risk (EUR -37 million in 9M 17), reflecting the division's good risk management.

Global Banking & Investor Solutions' operating income totalled EUR 453 million in Q3 18, up +11% vs. Q3 17, and EUR 1,348 million in 9M 18, down -13.9%.

Net income

The division's contribution to Group net income came to EUR 345 million in Q3 18, up +6.2%.

Underlying RONE amounted to 9.5% in 9M 18.

6. CORPORATE CENTRE

In EUR m	Q3 18	Q3 17	9M 18	9M 17
Net banking income	**311**	**73**	**369**	**(1,169)**
Net banking income (1)	*311*	*20*	*369*	*(1,023)*
Operating expenses	(173)	7	(431)	(89)
Gross operating income	138	80	(62)	(1,258)
Gross operating income (1)	*138*	*27*	*(62)*	*(1,112)*
Net cost of risk	(6)	(300)	(11)	(199)
Net profits or losses from other assets	1	72	(31)	279
Reported Group net income	**37**	**(206)**	**(235)**	**(992)**
Group Net Income (1)	*37*	*(244)*	*(235)*	*(888)*

The Corporate Centre includes:

- the property management of the Group's head office,
- the Group's equity portfolio,
- the Treasury function for the Group,
- certain costs related to cross-functional projects and certain costs incurred by the Group and not re-invoiced to the businesses.

The revaluation of the Group's own financial liabilities is no longer recognised in profit or loss for the period due to the implementation of IFRS 9 as from January 1st, 2018. Consequently, earnings are no longer restated for this non-economic item.

The Corporate Centre's net banking income totalled EUR 311 million in Q3 18 vs. EUR 20(1) million in Q3 17 and included the revaluation of Euroclear securities amounting to EUR +271 million.

Operating expenses included an allocation to the provision for disputes of EUR -136 million. At September 30th, 2018, the provision for disputes amounted to EUR 1.58 billion. The expected financial cost of the future settlement of the US Sanctions Case is fully covered by the provision allocated within the provision for disputes.

Gross operating income was EUR 138 million in Q3 18 vs. EUR 27(1) million in Q3 17. In 9M 18, gross operating income excluding the impact of exceptional items amounted to EUR 274 million and EUR 3 million after restatement of the revaluation of Euroclear securities.

The net cost of risk amounted to EUR -6 million in Q3 18 vs. EUR -300 million in Q3 17, which included an additional allocation of EUR -300 million to the provision for disputes.

The Corporate Centre's contribution to Group net income was EUR +37 million in Q3 18 (EUR -244(1) million in Q3 17).

(1) Excluding non-economic items for 2017 data

7. CONCLUSION

Societe Generale generated Group net income of EUR 1,234 million and underlying Group net income of EUR 1,252 million in Q3 18. Underlying ROTE stood at 11.0%.

Societe Generale continued to implement its strategic plan in Q3 18, based around its 5 key pillars:

- **Growing,** with the Group's underlying revenues up +9.0% in Q3 18 (+4.4% excluding the revaluation of Euroclear securities). In a persistently low interest rate environment, French Retail Banking revenues proved resilient. The growth in International Retail Banking & Financial Services continued in all businesses and geographical regions. Global Banking & Investor Solutions' performance was underpinned by the rebound in market activities and buoyant Financing & Advisory businesses.
- **Transforming**, with the ongoing transformation of French Retail Banking and strengthening of the Group's risk profile.
- **Delivering on cost control** with costs in line with the 2018 target in French Retail Banking and a positive jaws effect in International Retail Banking & Financial Services and Global Banking & Investor Solutions.
- **Completing** the refocusing, with the announcement of the signing of the agreement for the disposal of Euro Bank (Poland) and the announcements of several disposals expected over the next few quarters.
- **Establishing**, at all levels, a culture of responsibility, throughout the Group and its activities, notably through further progress in the resolution of litigation issues and the Group's engagement in positive transformation processes.

8. 2018/2019 FINANCIAL CALENDAR

2018/2019 Financial communication calendar

February 7th, 2019	Fourth quarter and FY 2018 results
May 3rd, 2019	First quarter 2019 results
August 1st, 2019	Second quarter and first half 2019 results
November 6th, 2019	Third quarter 2019 results

The Alternative Performance Measures, notably the notions of net banking income for the pillars, operating expenses, IFRIC 21 adjustment, (commercial) cost of risk in basis points, ROE, ROTE, RONE, net assets, tangible net assets, and the amounts serving as a basis for the different restatements carried out (in particular the transition from published data to underlying data) are presented in the methodology notes, as are the principles for the presentation of prudential ratios.

This document contains forward-looking statements relating to the targets and strategies of the Societe Generale Group.

These forward-looking statements are based on a series of assumptions, both general and specific, in particular the application of accounting principles and methods in accordance with IFRS (International Financial Reporting Standards) as adopted in the European Union, as well as the application of existing prudential regulations.

These forward-looking statements have also been developed from scenarios based on a number of economic assumptions in the context of a given competitive and regulatory environment. The Group may be unable to:

- anticipate all the risks, uncertainties or other factors likely to affect its business and to appraise their potential consequences;

- evaluate the extent to which the occurrence of a risk or a combination of risks could cause actual results to differ materially from those provided in this document and the related presentation.

Therefore, although Societe Generale believes that these statements are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, including matters not yet known to it or its management or not currently considered material, and there can be no assurance that anticipated events will occur or that the objectives set out will actually be achieved. Important factors that could cause actual results to differ materially from the results anticipated in the forward-looking statements include, among others, overall trends in general economic activity and in Societe Generale's markets in particular, regulatory and prudential changes, and the success of Societe Generale's strategic, operating and financial initiatives.

More detailed information on the potential risks that could affect Societe Generale's financial results can be found in the Registration Document filed with the French Autorité des Marchés Financiers.

Investors are advised to take into account factors of uncertainty and risk likely to impact the operations of the Group when considering the information contained in such forward-looking statements. Other than as required by applicable law, Societe Generale does not undertake any obligation to update or revise any forward-looking information or statements. Unless otherwise specified, the sources for the business rankings and market positions are internal.

9. APPENDIX 1: FINANCIAL DATA

GROUP NET INCOME AFTER TAX BY CORE BUSINESS

In EURm	Q3 18	Q3 17	Change	9M 18	9M 17	Change
French Retail Banking	320	320	0.0%	955	1,021	-6.5%
International Retail Banking and Financial Services	532	493	+7.9%	1,502	1,489	+0.9%
Global Banking and Investor Solutions	345	325	+6.2%	1,018	1,219	-16.5%
Core Businesses	1,197	1,138	+5.2%	3,475	3,729	-6.8%
Corporate Centre	37	(206)	n/s	(235)	(992)	+76.3%
Group	1,234	932	+32.4%	3,240	2,737	+18.4%

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CONSOLIDATED BALANCE SHEET

(ASSETS - In millions of euros)	30.09.2018	01.01.2018
Central banks	92,570	114,404
Financial assets at fair value through profit or loss	373,844	369,112
Hedging derivatives	11,272	12,718
Financial assets measured at fair value through other comprehensive income	52,203	50,468
Securities at amortised cost	11,515	11,592
Due from banks at amortised cost	68,183	53,656
Customer loans at amortised cost (**)	433,871	417,391
Revaluation differences on portfolios hedged against interest rate risk	443	663
Investment of insurance activities	149,868	147,611
Tax assets	5,422	6,292
Other assets	67,943	60,449
Non-current assets held for sale	5,151	13
Investments accounted for using the equity method	666	659
Tangible and intangible assets	26,060	24,200
Goodwill	4,862	4,988
Total	**1,303,873**	**1,274,216**

(LIABILITIES - In millions of euros)	30.09.2018	01.01.2018
Central banks	7,110	5,604
Financial liabilities at fair value through profit or loss	364,204	368,550
Hedging derivatives	6,090	6,146
Debt securities issued	114,082	103,235
Due to banks (**)	96,789	88,621
Customer deposits (**)	411,434	410,633
Revaluation differences on portfolios hedged against interest rate risk	4,708	6,020
Tax liabilities	1,286	1,608
Other liabilities	77,098	69,139
Non-current liabilities held for sale	4,940	
Liabilities related to insurance activities contracts	132,924	131,717
Provisions	5,364	6,345
Subordinated debts	13,103	13,647
Total liabilities	**1,239,132**	**1,211,265**
SHAREHOLDERS' EQUITY		
Shareholders' equity, Group share		
Issued common stocks, equity instruments and capital reserves	29,722	29,427
Retained earnings	28,411	27,698
Net income	3,240	2,806
Sub-total	**61,373**	**59,931**
Unrealised or deferred capital gains and losses	(1,224)	(1,503)
Sub-total equity, Group share	**60,149**	**58,428**
Non-controlling interests	4,592	4,523
Total equity	**64,741**	**62,951**
Total	**1,303,873**	**1,274,216**

NB. Customer loans include lease financing.

(**) The Group signed an agreement for the disposal of Euro Bank on November 5th, 2018. This entity's contributions to the Group's balance sheet include primarily EUR 2,797 million of customer loans, EUR 938 million of amounts due to banks and EUR 1,675 million of customer deposits. No unrealised loss is to be provisioned in the income statement as at September 30th, 2018.

At September 30th, 2018, the highly probable nature that this entity will be sold in the next twelve months had not yet been established. Consequently, in the consolidated balance sheet at September 30th, 2018, the entity's assets and liabilities continue to be presented in their original items.

10. APPENDIX 2: METHODOLOGY

1 – The Group's consolidated results as at September 30th, 2018 were examined by the Board of Directors on November 7th, 2018.

The financial information presented in respect of the third quarter and first nine months of the year ending on September 30th, 2018 has been prepared in accordance with IFRS as adopted in the European Union and applicable at that date. This information has not been audited.

2 – Net banking income

The pillars' **net banking income** is defined on page 44 of Societe Generale's 2018 Registration Document. The terms "Revenues" or "Net Banking Income" are used interchangeably. They provide a normalised measure of each pillar's net banking income taking into account the normative capital mobilised for its activity.

3 – Operating expenses

Operating expenses correspond to the "Operating Expenses" as presented in notes 5 and 8.2 to the Group's consolidated financial statements as at December 31st, 2017 (pages 390 et seq. and page 410 of Societe Generale's 2018 Registration Document). The term "costs" is also used to refer to Operating Expenses.

The **Cost/Income Ratio** is defined on page 44 of Societe Generale's 2018 Registration Document.

4 – IFRIC 21 adjustment

The IFRIC 21 adjustment corrects the result of the charges recognised in the accounts in their entirety when they are due (generating event) so as to recognise only the portion relating to the current quarter, i.e. a quarter of the total. It consists in smoothing the charge recognised accordingly over the financial year in order to provide a more economic idea of the costs actually attributable to the activity over the period analysed.

5 – Restatements and other significant items for the period – Transition from accounting data to underlying data

Non-economic items correspond to the revaluation of the Group's own financial liabilities and the debt value adjustment on derivative instruments (DVA). These two factors constitute the restated non-economic items in the analyses of the Group's results. They lead to the recognition of self-generated earnings reflecting the market's evaluation of the counterparty risk related to the Group. They are also restated in respect of the Group's earnings for prudential ratio calculations. In accordance with IFRS 9, the variation in the revaluation of the Group's own financial liabilities is no longer recognised in earnings for the period but in shareholders' equity. Consequently, the Group will no longer present published information restated for non-economic items.

Moreover, the Group restates the revenues and earnings of the French Retail Banking pillar for **PEL/CEL provision allocations or write-backs**. This adjustment makes it easier to identify the revenues and earnings relating to the pillar's activity, by excluding the volatile component related to commitments specific to regulated savings.

Details of these items, as well as the other items that are the subject of a one-off or recurring restatement (exceptional items), are provided below, given that, in the table below, the items marked with one asterisk (*) are the non-economic items and the items marked with two asterisks (**) are the exceptional items.

The reconciliation enabling the transfer from accounting data to underlying data is set out below.

In EURm	Q3 18	Q3 17	Change	9M 18	9M 17	Change
Net Banking Income	**6,530**	**5,958**	**+9.6%**	**19,278**	**17,631**	**+9.3%**
*Revaluation of own financial liabilities**		*53*			*(146)*	
*DVA**		*0*			*(6)*	
*Adjustment of hedging costs***		*(88)*			*(88)*	
*LIA settlement***					*(963)*	
Underlying Net Banking Income	**6,530**	**5,993**	**+9.0%**	**19,278**	**18,834**	**+2.4%**
Operating expenses	**(4,341)**	**(4,001)**	**+8.5%**	**(13,473)**	**(12,814)**	**+5.1%**
IFRIC 21 linearisation	*(169)*	*(157)*		*169*	*157*	
*Provision for disputes***	*(136)*			*(336)*		
Underlying Operating expenses	**(4,374)**	**(4,158)**	**+5.2%**	**(12,968)**	**(12,657)**	**+2.5%**
Net cost of risk	**(264)**	**(512)**	**-48.4%**	**(642)**	**(880)**	**-27.0%**
*Provision for disputes***		*(300)*			*(600)*	
*LIA settlement***					*400*	
Underlying Net Cost of Risk	**(264)**	**(212)**	**+24.5%**	**(642)**	**(680)**	**-5.6%**
Net profit or losses from other assets	**2**	**72**	***n/s***	**(39)**	**317**	**n/s**
*Sale of Express Bank and Societe Generale Albania***				(27)		
*Change in consolidation method of Antarius***					203	
*SG Fortune disposal***		74			74	
Underlying Net profits or losses from other assets	**2**	**(2)**	**n/s**	**(12)**	**40**	**n/s**
Group net income	**1,234**	**932**	**+32.4%**	**3,240**	**2,737**	**+18.4%**
Effect in Group net income of above restatements	*(18)*	*(147)*		*(481)*	*(879)*	
Underlying Group net income	**1,252**	**1,079**	**+16.1%**	**3,721**	**3,616**	**+2.9%**

* Non-economic items

** Exceptional items

6 – Cost of risk in basis points, coverage ratio for doubtful outstandings

The cost of risk or commercial cost of risk is defined on pages 46 and 564 of Societe Generale's 2018 Registration Document. This indicator makes it possible to assess the level of risk of each of the pillars as a percentage of balance sheet loan commitments, including operating leases.

	(In EURm)	Q3 18	Q3 17	9M 18	9M 17
French Retail Banking	Net Cost Of Risk	118	100	346	369
	Gross loan Outstandings	186,639	184,283	186,031	181,194
	Cost of Risk in bp	**25**	**22**	**25**	**27**
International Retail Banking and Financial Services	Net Cost Of Risk	124	105	290	257
	Gross loan Outstandings	135,671	125,914	133,350	125,259
	Cost of Risk in bp	**37**	**33**	**29**	**27**
Global Banking and Investor Solutions	Net Cost Of Risk	16	(4)	(5)	36
	Gross loan Outstandings	156,723	148,867	151,240	158,517
	Cost of Risk in bp	**4**	**(1)**	**0**	**3**
Corporate Centre	Net Cost Of Risk	6	-	11	-
	Gross loan Outstandings	8,100	8,931	7,266	7,891
	Cost of Risk in bp	**29**	**-**	**20**	**(1)**
Societe Generale Group	Net Cost Of Risk	264	201	642	662
	Gross loan Outstandings	487,133	467,995	477,887	472,862
	Cost of Risk in bp	**22**	**17**	**18**	**19**

The **gross coverage ratio for doubtful outstandings** is calculated as the ratio of provisions recognised in respect of the credit risk to gross outstandings identified as in default within the meaning of the regulations, without taking account of any guarantees provided. This coverage ratio measures the maximum residual risk associated with outstandings in default ("doubtful").

7 – ROE, ROTE, RONE

The notions of **ROE** (Return On Equity) and **ROTE** (Return On Tangible Equity), as well as their calculation methodology, are specified on page 47 of Societe Generale's 2018 Registration Document. This measure makes it possible to assess Societe Generale's return on equity and return on tangible equity.

RONE (Return On Normative Equity) determines the return on average normative equity allocated to the Group's businesses, according to the principles presented on page 47 of Societe Generale's Registration Document.

Group net income used for the ratio numerator is book Group net income adjusted for "interest, net of tax payable to holders of deeply subordinated notes and undated subordinated notes, interest paid to holders of deeply subordinated notes and undated subordinated notes, issue premium amortisations" and "unrealised gains/losses booked under shareholders' equity, excluding conversion reserves" (see methodology note No. 9). For ROTE, income is also restated for goodwill impairment.

Details of the corrections made to book equity in order to calculate ROE and ROTE for the period are given in the table below:

End of period	Q3 18	Q3 17	9M 18	9M 17
Shareholders' equity Group share	**60,149**	**60,254**	**60,149**	**60,254**
Deeply subordinated notes	(9,249)	(9,082)	(9,249)	(9,082)
Undated subordinated notes	(276)	(272)	(276)	(272)
Interest net of tax payable to holders of deeply subordinated notes & undated subordinated notes, interest paid to holders of deeply subordinated notes & undated subordinated notes, issue premium amortisations	(169)	(154)	(169)	(154)
OCI excluding conversion reserves	(300)	(1,082)	(300)	(1,082)
Dividend provision	(1,451)	(1,321)	(1,451)	(1,321)
ROE equity end of period	**48,704**	**48,342**	**48,704**	**48,342**
Average ROE equity	**48,327**	**48,348**	**47,845**	**48,132**
Average Goodwill	(5,033)	(5,027)	(5,044)	(4,868)
Average Intangible Assets	(2,091)	(1,850)	(2,028)	(1,807)
Average ROTE equity	**41,203**	**41,471**	**40,773**	**41,457**
Group Net Income (a)	**1,234**	**932**	**3,240**	**2,737**
Underlying Group Net Income (b)	**1,252**	**1,079**	**3,721**	**3,616**
Interest net of tax on deeply subordinated notes & undated subordinated notes (c)	(115)	(95)	(338)	(349)
Cancellation of goodwill impairment (d)	-	-	22	-
Corrected Group Net Income (e) = (a)+(c)+(d)	**1,119**	**837**	**2,924**	**2,388**
Corrected underlying Group Net Income (f)=(b)+(c)	**1,137**	**984**	**3,383**	**3,267**
Average ROTE equity (g)	**41,203**	**41,471**	**40,773**	**41,457**
ROTE [quarter: (4*e)/g, 9 months: (4/3*e/g)]	10.9%	8.1%	9.6%	7.7%
Average ROTE equity (underlying) (h)	**41,212**	**41,520**	**41,013**	**41,920**
Underlying ROTE [quarter: (4*f)/h, 9 months: (4/3*f/h)]	11.0%	9.5%	11.0%	10.4%

RONE calculation: Average capital allocated to Core Businesses (in EURm)

	Q3 18	Q3 17	Change	9M 18	9M 17	Change
French Retail Banking	**11,192**	11,077	+1.0%	**11,229**	10,878	+3.2%
International Retail Banking and Financial Services	**11,287**	10,928	+3.2%	**11,359**	11,146	+1.9%
Global Banking and Investor Solutions	**15,933**	15,026	+6.0%	**15,237**	15,152	+0.6%
Core Businesses	**38,406**	37,031	+3.7%	**37,823**	37,176	+1.7%
Corporate Centre	**9,915**	11,317	-11.9%	**10,020**	10,956	-8.5%
Group	**48,327**	48,348	+0.1%	**47,845**	48,132	-0.6%

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8 – Net assets and tangible net assets are defined in the methodology, page 49 of the Group's 2018 Registration Document. The items used to calculate them are presented below.

End of period	9M 18	H1 18	2017	9M 17
Shareholders' equity Group share	**60,149**	**58,959**	**59,373**	**60,254**
Deeply subordinated notes	(9,249)	(9,197)	(8,520)	(9,082)
Undated subordinated notes	(276)	(274)	(269)	(272)
Interest net of tax payable to holders of deeply subordinated notes & undated subordinated notes, interest paid to holders of deeply subordinated notes & undated subordinated notes, issue premium amortisations	(169)	(213)	(165)	(154)
Book value of own shares in trading portfolio	387	500	223	181
Net Asset Value	**50,842**	**49,775**	**50,642**	**50,926**
Goodwill	(5,033)	(5,140)	(5,154)	(5,028)
Intangible Assets	(2,130)	(2,027)	(1,940)	(1,868)
Net Tangible Asset Value	**43,679**	**42,608**	**43,548**	**44,030**
Number of shares used to calculate NAPS**	**801,942**	**801,924**	**801,067**	**800,848**
Net Asset Value per Share	**63.4**	**62.1**	**63.2**	**63.6**
Net Tangible Asset Value per Share	**54.5**	**53.1**	**54.4**	**55.0**

*** The number of shares considered is the number of ordinary shares outstanding as at September 30th, 2018, excluding treasury shares and buybacks, but including the trading shares held by the Group.*

In accordance with IAS 33, historical data per share prior to the date of detachment of a preferential subscription right are restated by the adjustment coefficient for the transaction.

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9 – Calculation of Earnings Per Share (EPS)

The EPS published by Societe Generale is calculated according to the rules defined by the IAS 33 standard (see page 48 of Societe Generale's 2018 Registration Document). The corrections made to Group net income in order to calculate EPS correspond to the restatements carried out for the calculation of ROE. As specified on page 48 of Societe Generale's 2018 Registration Document, the Group also publishes EPS adjusted for the impact of non-economic items, exceptional items and the effect of the linearisation of IFRIC 21 presented in methodology note No. 5 (underlying EPS).

The number of shares used for the calculation is as follows:

Average number of shares (thousands)	9M 18	H1 18	2017	9M 17
Existing shares	**807,918**	**807,918**	**807,754**	**807,714**
Deductions				
Shares allocated to cover stock option plans and free shares awarded to staff	5,231	5,059	4,961	4,892
Other own shares and treasury shares	996	1,252	2,198	2,343
Number of shares used to calculate EPS**	**801,691**	**801,607**	**800,596**	**800,478**
Group net Income	**3,240**	**2,006**	**2,806**	**2,737**
Interest, net of tax on deeply subordinated notes and undated subordinated notes	(338)	(223)	(466)	(349)
Capital gain net of tax on partial buybacks				
Adjusted Group net income	**2,902**	**1,783**	**2,340**	**2,388**
EPS (in EUR)	**3.62**	**2.22**	**2.92**	**2.98**
Underlying EPS* (in EUR)	**4.22**	**2.80**	**5.03**	**4.08**

** Excluding non-economic and exceptional items and including the effect of the linearisation of IFRIC 21 (for 9M 17, H1 18 and 9M 18).*

*** The number of shares considered is the number of ordinary shares outstanding as at September 30th, 2018, excluding treasury shares and buybacks, but including the trading shares held by the Group*

10 – The Societe Generale Group's **Common Equity Tier 1 capital** is calculated in accordance with applicable CRR/CRD4 rules. The fully-loaded **solvency ratios** are presented pro forma for current earnings, net of dividends, for the current financial year, unless specified otherwise. When there is reference to phased-in ratios, these do not include the earnings for the current financial year, unless specified otherwise. The leverage ratio is calculated according to applicable CRR/CRD4 rules including the provisions of the delegated act of October 2014.

NB (1) The sum of values contained in the tables and analyses may differ slightly from the total reported due to rounding rules.

(2) All the information on the results for the period (notably: press release, downloadable data, presentation slides and supplement) is available on Societe Generale's website www.societegenerale.com in the "Investor" section.

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 147,000 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.

For more information, you can follow us on twitter @societegenerale or visit our website www.societegenerale.com