



Morgan Stanley European Financials Conference

Delivering sustainable risk-adjusted growth

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London, March 30, 2011

BUILDING TOGETHER

TEAM SPIRIT  SOCIÉTÉ GÉNÉRALE

Disclaimer

This document may contain a number of forecasts and comments relating to the targets and strategies of the Societe Generale Group. These forecasts are based on a series of assumptions, both general and specific, notably - unless specified otherwise - the application of accounting principles and methods in accordance with IFRS as adopted in the European Union, as well as the application of existing prudential regulations.

This information was developed from scenarios based on a number of economic assumptions for 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 impact on its operations;*
- to precisely evaluate the extent to which the occurrence of a risk or a combination of risks could cause actual results to differ materially from those contemplated in this presentation.*

There is a risk that these projections will not be met. Investors are advised to take into account factors of uncertainty and risk likely to impact the operations of the Group when basing their investment decisions on information provided in this document.

Unless otherwise specified the sources for the rankings are internal.

The Group's consolidated results at December 31st 2010 were approved by the Board of Directors on February 15th 2011. The consolidated financial statements are currently being audited by the Statutory Auditors.

The financial information presented for the financial year ended December 31st 2010 has been prepared in accordance with IFRS (International Financial Reporting Standards) as adopted in the European Union and applicable at this date. This financial information does not constitute a set of financial statements for an interim period as defined by IAS 34 "Interim Financial Reporting".

■ "Ambition SG 2015": first steps completed

- ▶ Development of commercial franchises
- ▶ Strengthened strategic focus on customer satisfaction
- ▶ Operating model transformation launched
- ▶ Adaptation of the business portfolio

■ Commitments met

- ▶ Dynamic contribution to the financing of the economy
- ▶ Lower risk profile
- ▶ Strong rebound in financial results

 **Return to sustainable growth with a Group Net Income of EUR 3.9bn and a Tier 1 ratio of 10.6%* (Core Tier 1 of 8.5%)**

* Excluding floor effects (additional floor capital requirements)

Group financial results in 2010: EUR 3.9bn

| In EUR m | Yearly | | | | 4 th quarter | | | |
|-------------------------------|--------------|--------------|------------------|----------------|-------------------------|--------------|--------------|----------------|
| | 2009 | 2010 | Change 2010/2009 | | Q4 09 | Q4 10 | Change Q4/Q4 | |
| Net banking income | 21,730 | 26,418 | +21.6% | +20.1%* | 5,131 | 6,857 | +33.6% | +31.8%* |
| Operating expenses | (15,766) | (16,545) | +4.9% | +4.3%* | (3,984) | (4,440) | +11.4% | +11.9%* |
| Gross operating income | 5,964 | 9,873 | +65.5% | +58.4%* | 1,147 | 2,417 | x2.1 | +93.0%* |
| Net allocation to provisions | (5,848) | (4,160) | -28.9% | -30.8%* | (1,906) | (1,100) | -42.3% | -42.5%* |
| Operating income | 116 | 5,713 | NM | NM* | (759) | 1,317 | NM | NM* |
| Group net income | 678 | 3,917 | x5.8 | x4.8* | 221 | 874 | x4.0 | x2.7* |
| ROE (after tax) | 0.9% | 9.8% | | | 1.5% | 8.4% | | |
| C/I ratio ** | 65.5% | 63.4% | | | 75.0% | 66.0% | | |

* When adjusted for changes in Group structure and at constant exchange rates, excluding Asset Management following the creation of Amundi

** Excluding non-economic items and excluding PEL CEL



2010 achievements

- ▶ +400,000 individual customers in 2010, o.w. 165,000 from SMC
- ▶ Growth in outstandings coupled with a steady improvement in loan to deposit ratio
- ▶ NBI: +4.5%^(*) vs. 2009
- ▶ C/I ratio: -2.0pt^(*) vs. 2007 to 64.3%^(*)

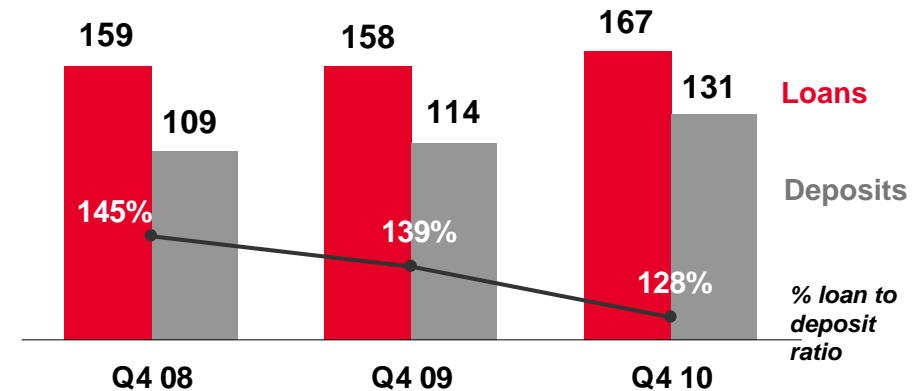
Strengths

- ▶ 3rd largest network in France with 3 complementary brands
- ▶ Branches located in regions with high potential
- ▶ Wealthier and younger customers than market average

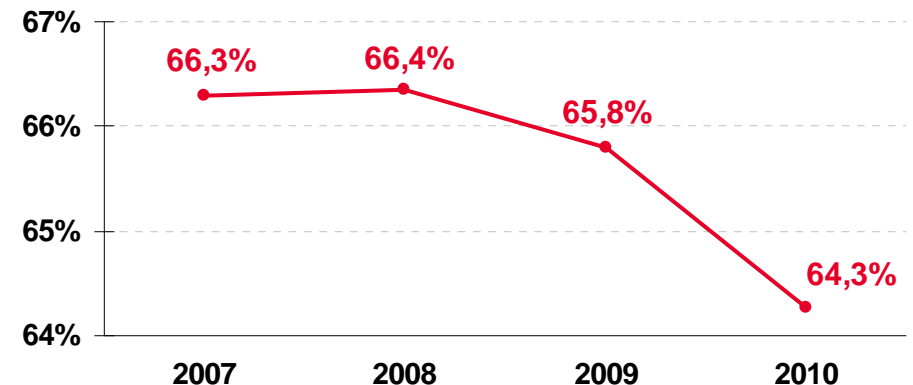
Targets for 2012

- ▶ NBI growth 2009-2012: around +3% per year
- ▶ Cost/income ratio of 63%
- ▶ 2012 net earnings target: EUR 1.4-1.6bn

Loans and deposits
(in EUR bn)



Cost/income ratio*



2007: Data excluding Boursorama, restated following the change in the capital allocation rules

* excl. PEL/CEL provision and SMC

Confirmation of the upturn in activity



2010 achievements

- ▶ Recovery in Russia
- ▶ Renewed growth in loans and deposits
- ▶ Increase in the number of individual customers: +1.7% vs. end 2009
- ▶ Increase in Group Net Income by +7.5%* vs. 2009

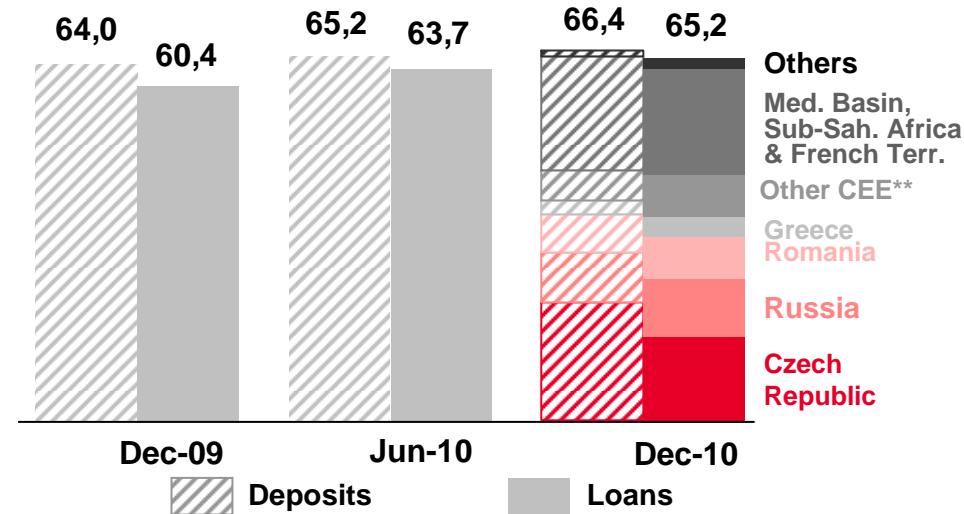
Strengths

- ▶ Largest privately-owned banking group in Russia
- ▶ 4th largest banking group in CEE-Russia
- ▶ A diversified presence in countries with positive fundamentals

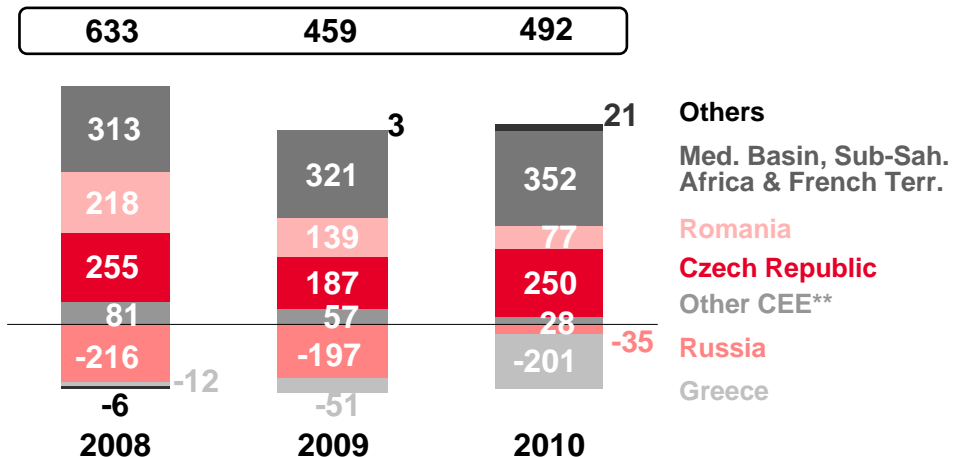
Targets for 2012

- ▶ NBI growth 2009-2012: \approx +8% per year
- ▶ Grow the client franchises, +4m clients
- ▶ 2012 net earnings target: EUR 0.9-1.1bn

Loans and deposits outstanding
(in EUR bn – in absolute terms)



Group Net Income by zone (in EUR m)



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

** Excluding Greece, Russia, the Czech Republic and Romania



2010 achievements

- ▶ Well balanced revenue split
- ▶ Very good performance of structured finance activities and strong resilience of market activities in a volatile environment
- ▶ Reduced impact of legacy assets

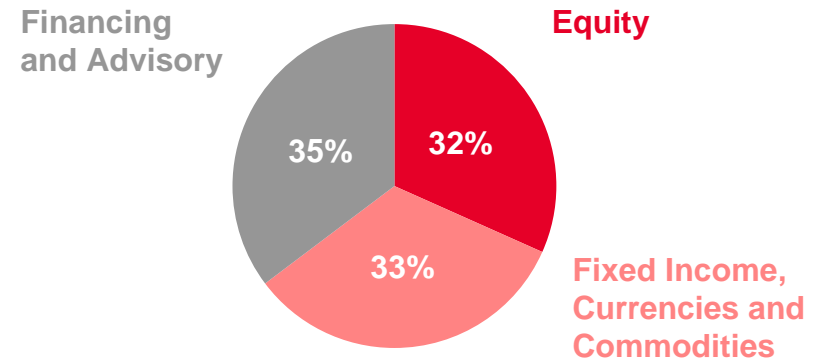
Strengths

- ▶ Broad product range fits sizeable financing needs
- ▶ Leadership positions in growth businesses (Equity Derivatives, Structured finance, Lyxor)
- ▶ Cost/income ratio among the lowest of the industry

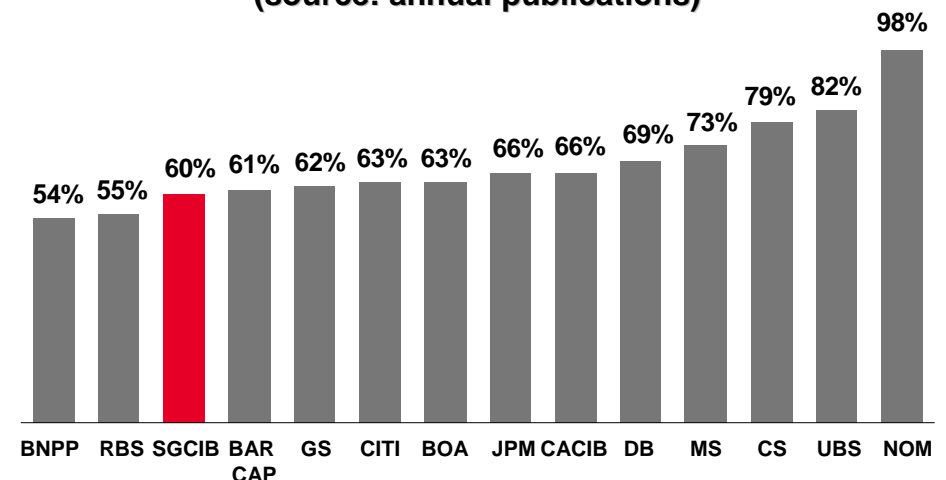
Targets for 2012

- ▶ Top 5 position in Europe
- ▶ 2012 NBI of around EUR 9.5bn
- ▶ 2012 net earnings target: EUR 2.3-2.8bn

Core activities 2010 NBI split by business line
EUR 7,765 m



2010 cost/income ratios
(source: annual publications)





2010 achievements

- ▶ Record net life insurance inflows
- ▶ Strong recovery in Custody and in Asset Management
- ▶ Decrease in cost of credit risk in SFS
- ▶ Rebound in Group Net Income vs. 2009

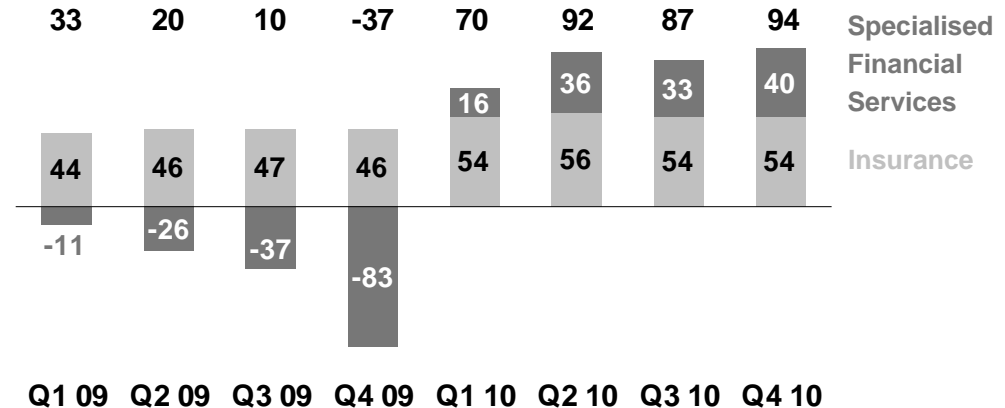
Strengths

- ▶ Leadership positions in Equipment Finance and Fleet Management in Europe
- ▶ Recognized franchise in Private Banking and leading position in European Custody

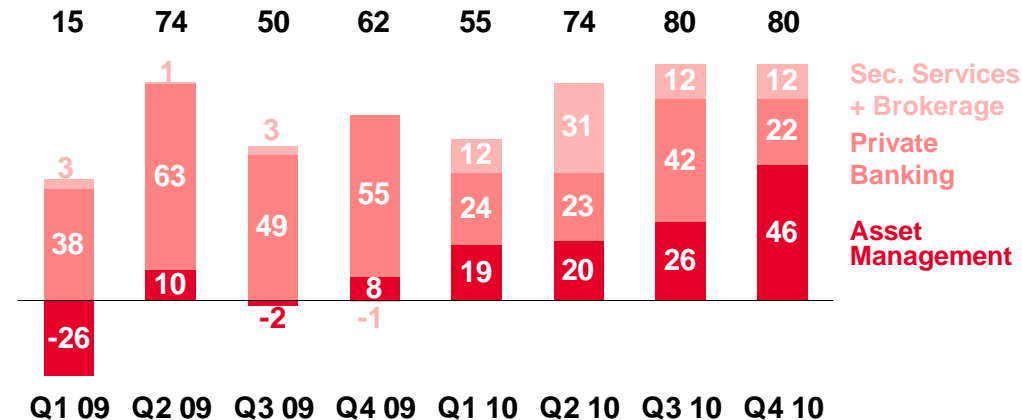
Targets for 2012

- ▶ Specialized Financial Services & Insurance
Net earnings target: EUR 0.7-0.9bn
- ▶ Investors Services
Net earnings target: EUR 0.5-0.7bn

Breakdown of SFS&I's Group Net Income
(in EUR m)



Breakdown of GIMS' Group Net Income
(in EUR m)

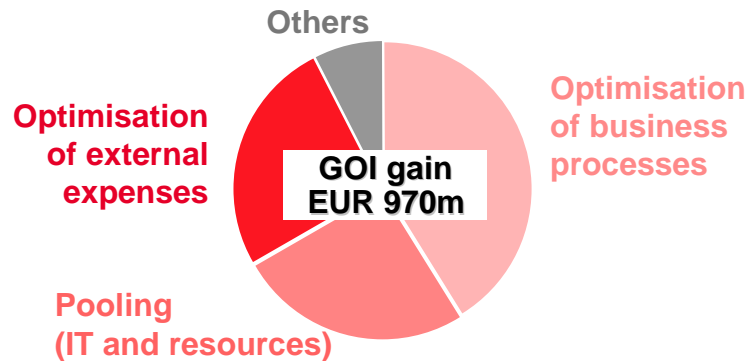


Improving the operational efficiency

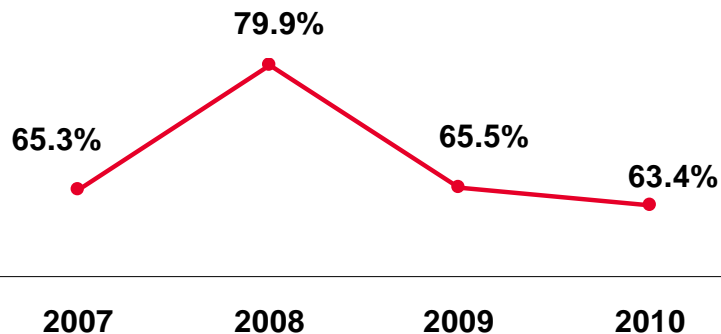
First phase

Improving existing set-up

2007/2010 Operational Efficiency
Plan target achieved



Group cost/income ratio excluding
non-economic items and PEL/CEL



Second phase

Deeper transformation of operational model

■ IT Convergence

- ▶ Global IT platform for large retail banks
- ▶ Standard platform for small retail entities

■ Shared Services Centres

- ▶ GTS for IT infrastructure
- ▶ Bangalore Service Centre for ITO and BPO
- ▶ Hub in Bucharest for BPO

■ Process optimization

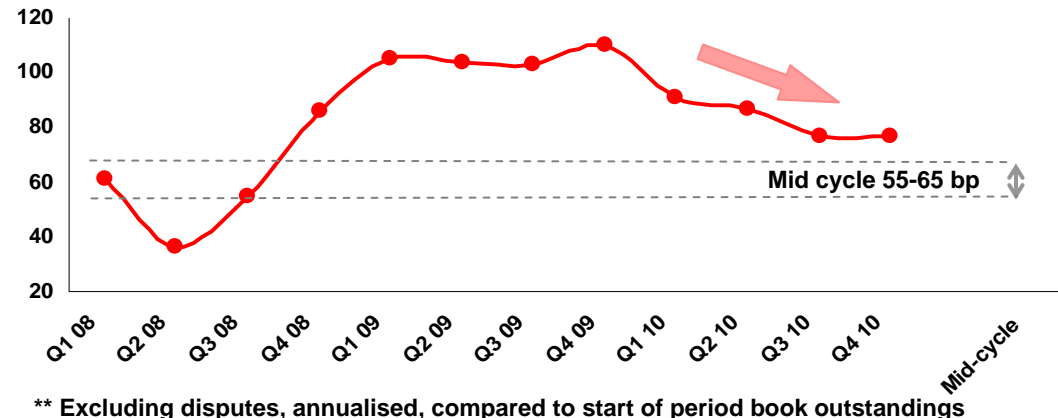
- ▶ SG CIB Resolution program

■ MIS transformation

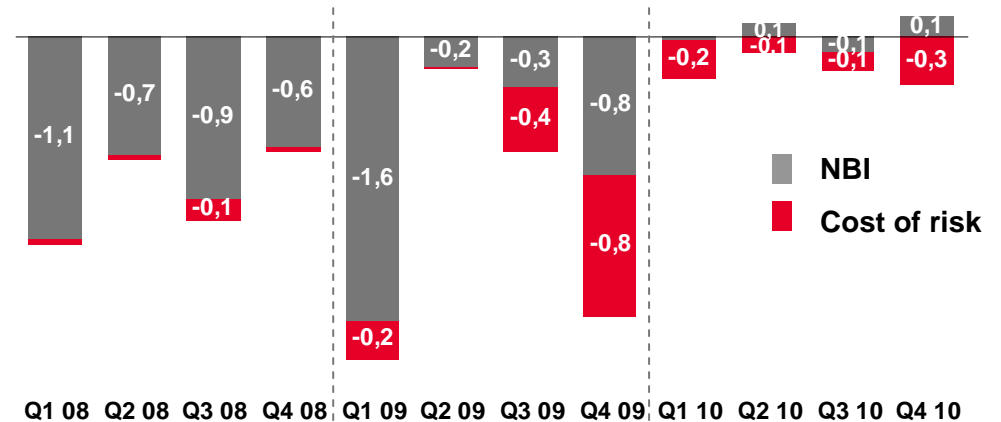
Strict risk management

- Gradual fall in cost of credit risk
- Rise in Group doubtful loan coverage ratio* (72% at end-2010 vs. 68% at end-2009)
- Significant reduction in market risk appetite
- Lower operational risk
- Legacy assets
 - ▶ 2010 pre-tax impact of c. EUR 0.625bn
 - ▶ Significant asset disposals in 2010
 - ▶ Update of BlackRock Solutions analysis confirms substantial positive final recovery vs. current marks
- Low exposure to sovereign debt of GIIPS countries

Cost of Risk (in bp**)
 Group excluding legacy assets

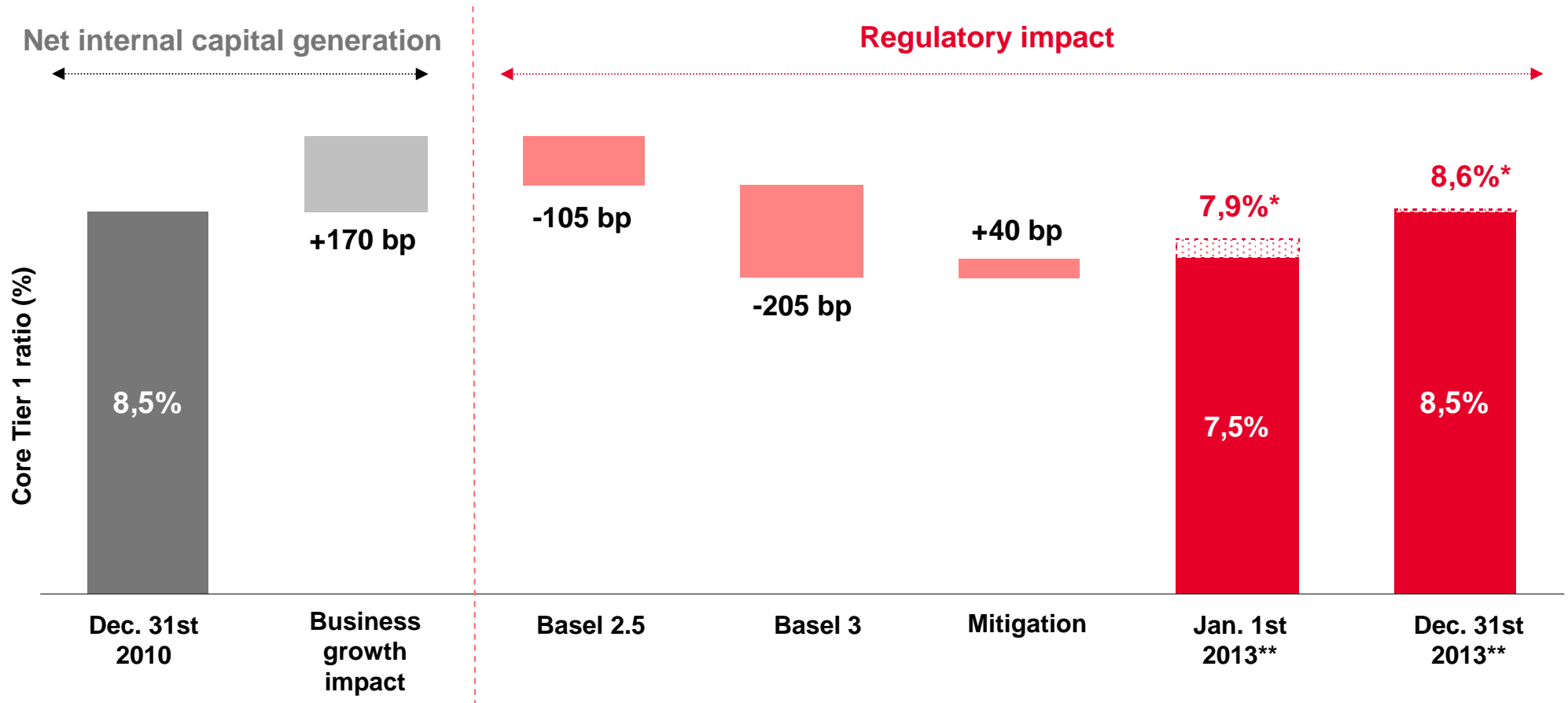


Legacy assets impact (in EUR bn)



* Excluding legacy assets

"Basel 3" Core Tier 1 ratio of around 7.5% achieved from early 2013



* With phase-in of deductions

** Ambition SG 2015 assumption

Funding of activities adapted to the new environment

■ Balance sheet strengthening

- ▶ EUR +39.1bn of deposits in 2010
- ▶ A loan to deposit ratio improving on French Networks and close to 100% on International Retail Banking
- ▶ Decrease in short-term funding since 2007

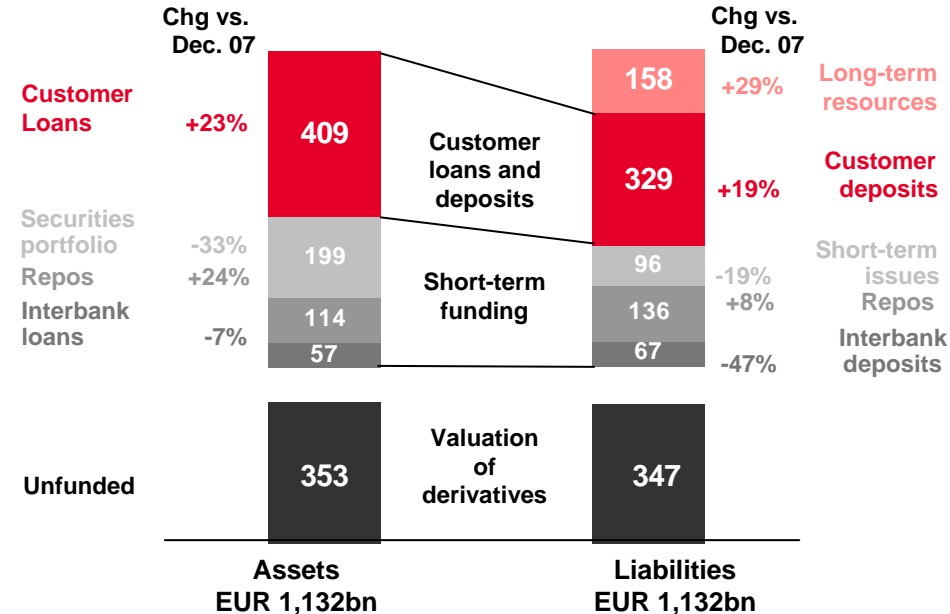
■ Societe Generale, a well-regarded name

- ▶ EUR 29.0bn of long-term funding raised in 2010
- ▶ Diversified issuance programme

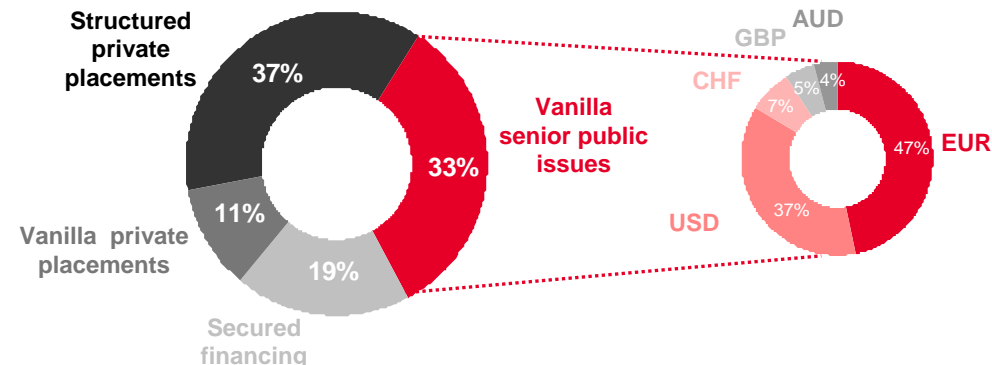
■ Steady amortisation of long-term debt

↪ 2011 financing plan: EUR ~26bn of senior debt, of which 9.5bn realised as of March 22nd

Breakdown of balance sheet at December 31, 2010



2010 issues



2011 outlook: continued transformation of the Group

- **Incorporating the new regulatory environment**
- **Continuing to develop the businesses by focusing on customer satisfaction**
- **Key targets for 2011**
 - ▶ Rolling out pooling projects within the French Networks
 - ▶ Completing the legal merger of our subsidiaries in Russia
 - ▶ Capitalising on the first results of our investments in Corporate and Investment Banking
 - ▶ Completing the turnaround of consumer finance activity
 - ▶ Improving our operational efficiency to fund our investment programs
 - ▶ Continuing to improve the Group's risk profile
 - ▶ Launching of the new brand platform

 **2011: a new stage confirming the Group's ability to achieve Group Net Income of EUR ~6bn by 2012**



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