



SOCIETE GENERALE

GOLDMAN SACHS EUROPEAN FINANCIALS CONFERENCE 2017

BERNARDO SANCHEZ INCERA, DEPUTY CEO



MADRID 08.06.2017



DISCLAIMER

This presentation 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.

The financial information presented for the quarter year ending 31st March 2017 was reviewed by the Board of Directors on 3rd May 2017 and has been prepared in accordance with IFRS as adopted in the European Union and applicable at this date, and has not been audited.

Q1 17: ROBUST COMMERCIAL AND FINANCIAL PERFORMANCE FROM CORE BUSINESSES

Revenues from Core Businesses up +4.0%

Good momentum in International Retail Banking and Financial Services and Global Banking and Investor Solutions

Core Businesses NBI vs. Q1 16
EUR 6.5bn +4.0%

Costs in line

Reflecting the acceleration of French Retail Banking transformation, strong momentum in International Retail Banking and Financial Services
Benefiting from savings plans in Global Banking and Investor Solutions

Operating expenses⁽¹⁾ vs. Q1 16
EUR 4.2bn +2.6%

Low Cost of Risk reflecting improved Group risk profile

Cost of risk⁽²⁾ vs. Q1 16
24bp vs. 46bp

Group Net Income: EUR 747m in Q1 17 vs. EUR 924m in Q1 16

Contribution of Core Businesses up +31.4% vs. Q1 16 excluding Euribor refund
Further allocation to provision for disputes of EUR -350m in Q1 17

Underlying Group Net Income⁽³⁾ up +50.0% vs. Q1 16

Underlying Group Net Income⁽³⁾
vs. Q1 16
EUR 1,392m +50.0%

Post-closing settlement with LIA of the civil litigation relating to transactions dating back to 2007

Impact on Group Net Income fully covered by the additional allocation to provision for disputes of EUR 350m booked in Q1 17

Underlying Group ROE⁽³⁾ 10.5% in Q1 17 vs. 7.1% in Q1 16

(1) Excluding EUR 218m positive impact of Euribor fine refund in Q1 16, and adjusted for IFRIC 21 implementation

(2) Annualised, in basis points. Outstandings at the beginning of period. Excluding litigation

(3) Adjusted for additional allocation to provision for disputes (EUR -350m in Q1 17), for Euribor fine refund in Q1 16 (EUR +218m) and for IFRIC 21 implementation. Excluding revaluation of own financial liabilities and DVA (refer to p. 29 of Q1 17 Group results presentation) - Unadjusted ROE of 5.2% in Q1 17 and 7.1% in Q1 16

CAPTURING GROWTH FROM A DIVERSIFIED AND INTEGRATED BUSINESS MODEL

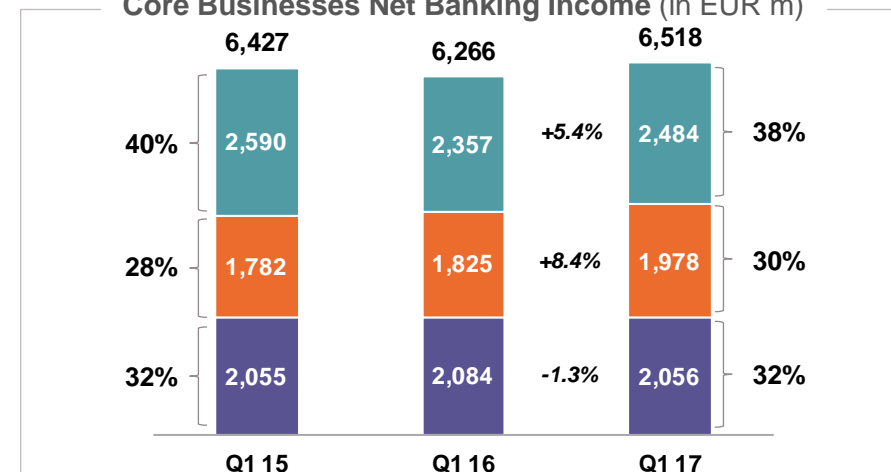
Fast growth in International Retail Banking and Financial Services and solid revenues in Global Banking and Investor Solutions more than compensate impact of low interest rates in French Retail Banking

Portfolio quality and cost control ensure growing contribution to Group Net Income from Core Businesses despite increase in regulatory charges

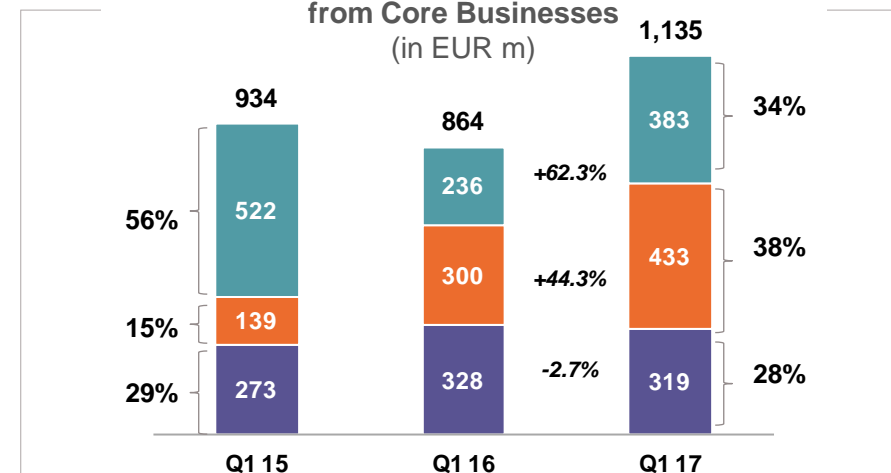
(1) Core Businesses contribution to Group Net Income. Excluding EUR 218m impact of Euribor fine refund in 2016 in Global Banking and Investor Solutions and EUR -725m from Goodwill impairment in Russia and withdrawal from Brazil in International Retail Banking and Financial Services in 2014

Note: Data as disclosed in respective years

Core Businesses Net Banking Income (in EUR m)



Breakdown of Contribution to Group Net Income⁽¹⁾ from Core Businesses (in EUR m)

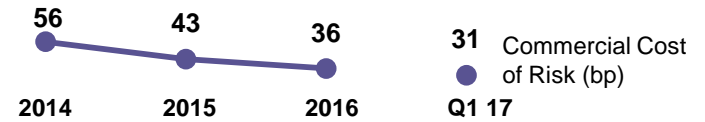


■ French Retail Banking
 ■ International Retail Banking and Financial Services
 ■ Global Banking and Investor Solutions

STRUCTURAL DECREASE IN COST OF RISK

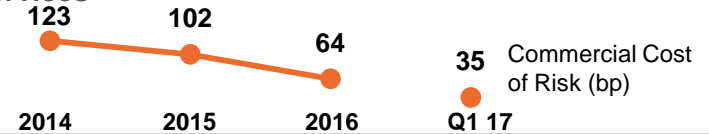
French Retail Banking

Prudent credit origination, improvement in debt collection



International Retail Banking and Financial Services

Structural de-risking of portfolio
Strong decrease in Russia and Romania

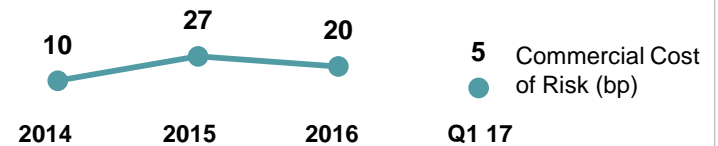


Global Banking and Investor Solutions

Well-managed sector risks
Solid expertise in Structured Finance



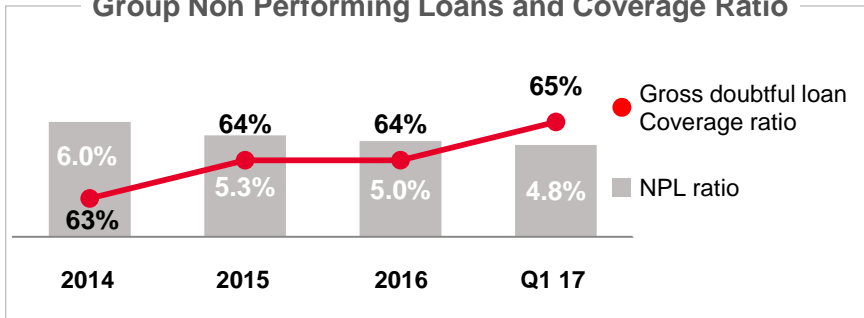
Societe Generale
Bank risk manager of the year



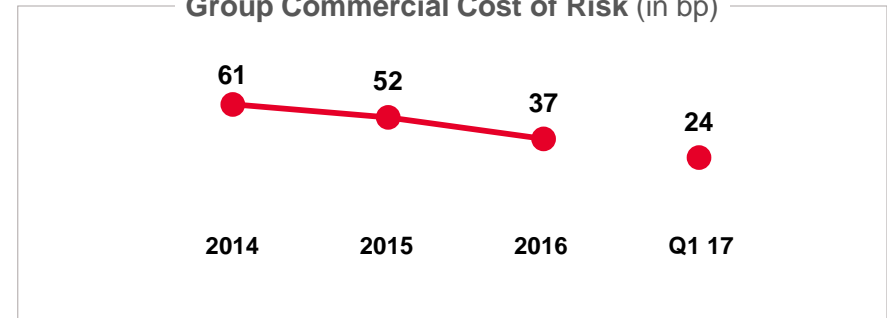
Credit Risk

Group
Commercial cost of risk more than halved

Group Non Performing Loans and Coverage Ratio



Group Commercial Cost of Risk (in bp)



Commercial Cost of Risk : Excluding provisions for disputes. Outstandings at beginning of period. Q1 17 annualised

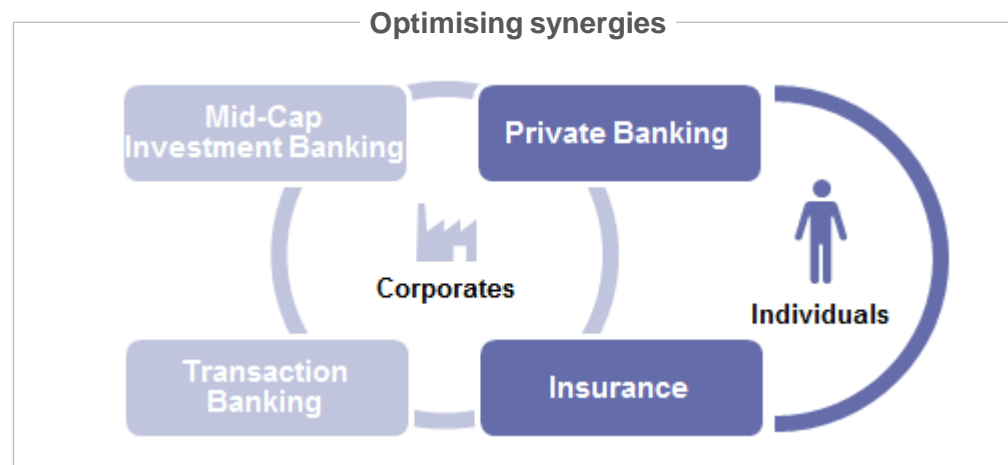
LEVERAGE ON A CLIENT CENTRIC MODEL TO GROW FEE BUSINESS

Business customers: offer a global approach to establish the Group as main banker

SG Entrepreneurs for SME

“Espace Pro” for Professionals

Accompanying Corporates abroad



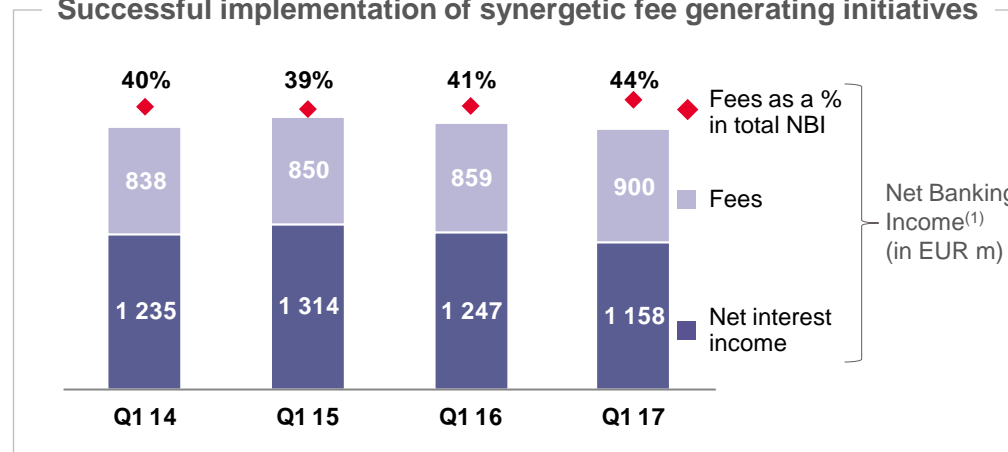
Individual customers: offer a full range of services for key moments in life

Private banking: offer proximity thanks to local platforms

Life insurance: increase unit-linked assets

Non-life insurance: protect the family and accompany customer life-cycle

Successful implementation of synergetic fee generating initiatives



(1) Excluding PEL/CEL

Note: Data as disclosed in respective years

ACCELERATE THE TRANSFORMATION



Increased autonomy on day-to-day banking transactions

~700 self service areas implemented for Societe Generale and Credit du Nord by end-2017

Account aggregator proposed by the 3 brands

Boursorama first bank to offer money transfer from accounts held in other banks

All 3 brands offer service facilitating bank accounts transfer



Expertise at-hand on value-added products and services

Business Customers:
SG Entrepreneurs, “Espace Pro” for Professionals
Transaction payment services

Individual Customers:
Bancassurance, Private Banking, dedicated offers for seniors

EUR 1.7bn to be invested between 2016 and 2020



Securing operations and processing

Launch of the first dynamic crypto card in the world securing credit card payments

Use of scoring techniques in all channels

Development of artificial intelligence in fraud prevention and detection



Digitalisation and front-to-back process automation

Paper savings from digitalisation

Specialisation of 2 back-offices by mid-2017

→ ~30% of efficiency gains secured by mid-2017⁽¹⁾

One back-office to be closed by end-2017/early 2018 (6 by 2020)

Accelerating branch closures: >100 in 2017 (>400 by 2020)

(1) Societe Generale network

IDEALLY POSITIONED TO CAPTURE GROWTH

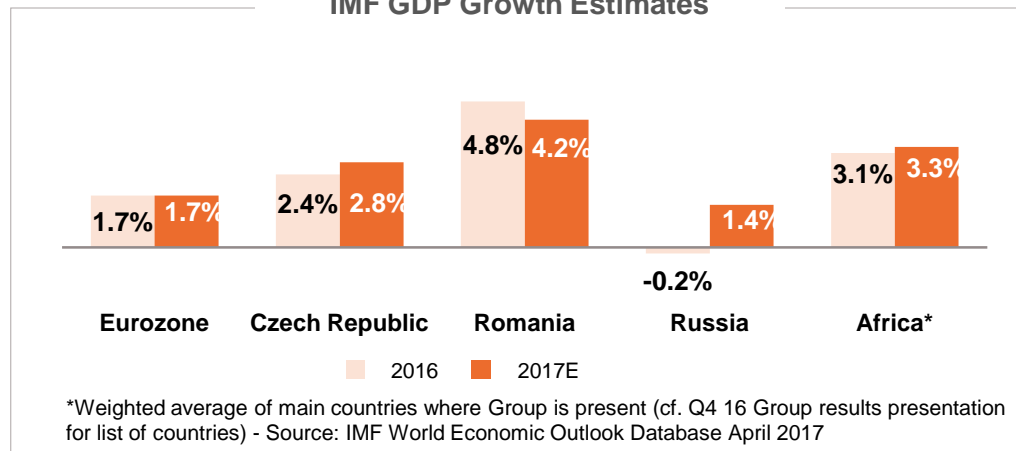
Supportive macroeconomic conditions

Healthy growth in Central and Eastern Europe

Russian economy returning to growth in 2017

Diversified presence in Africa, including several of the best performing economies in the region

IMF GDP Growth Estimates



Sustainable volume growth

Strong appetite for Consumer Finance, notably car loans in Western Europe

Active retail segment in Central and Eastern Europe

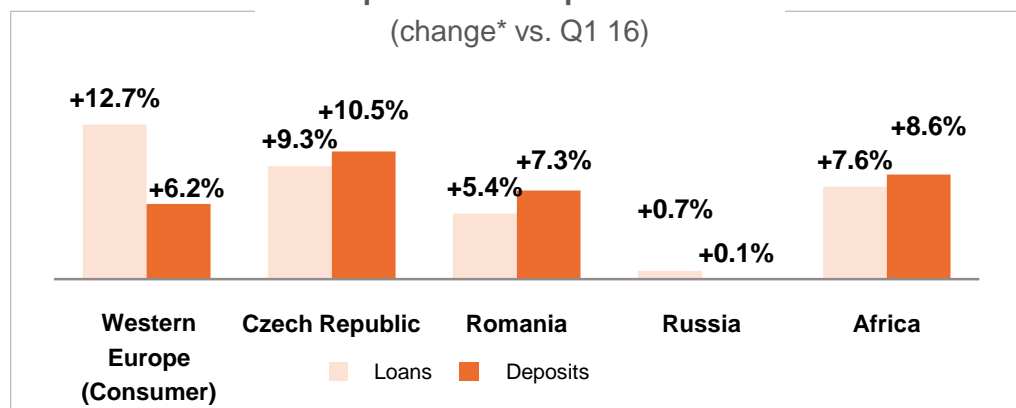
Volumes beginning to recover in Russia, thanks to rebound in retail production

Corporate business main driver in Africa

Clear potential for volume growth to continue given low banking penetration

Group Loan and Deposit Growth

(change* vs. Q1 16)



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

STRONG RETURNS, WITH FURTHER UPSIDE POTENTIAL IN INTERNATIONAL RETAIL

Potential for higher returns in International Retail Banking

- High returns maintained in Czech Republic
- Further progress in Romania
- Acceleration of the recovery in Russia
- Solid profitability in Africa

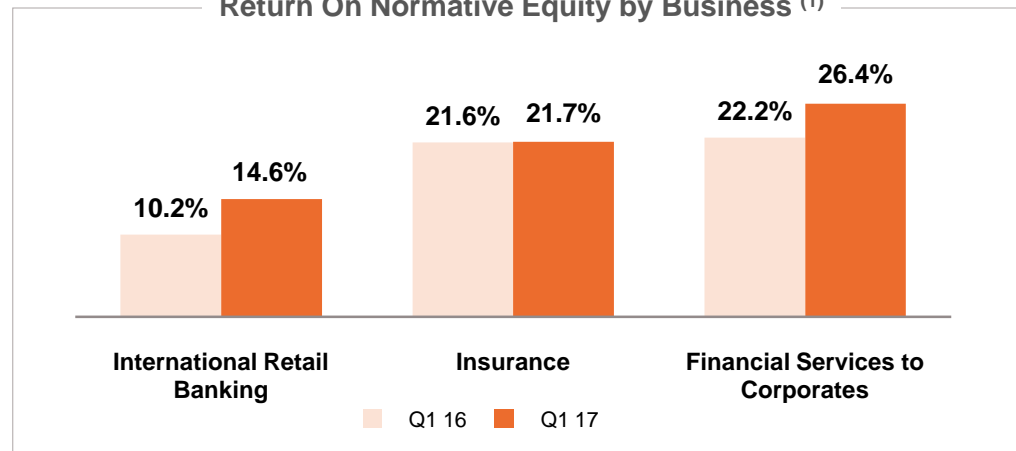
Strong returns in Insurance

- Advantages of the bancassurance model
- Strengthened by Antarius acquisition closed in Q2 17

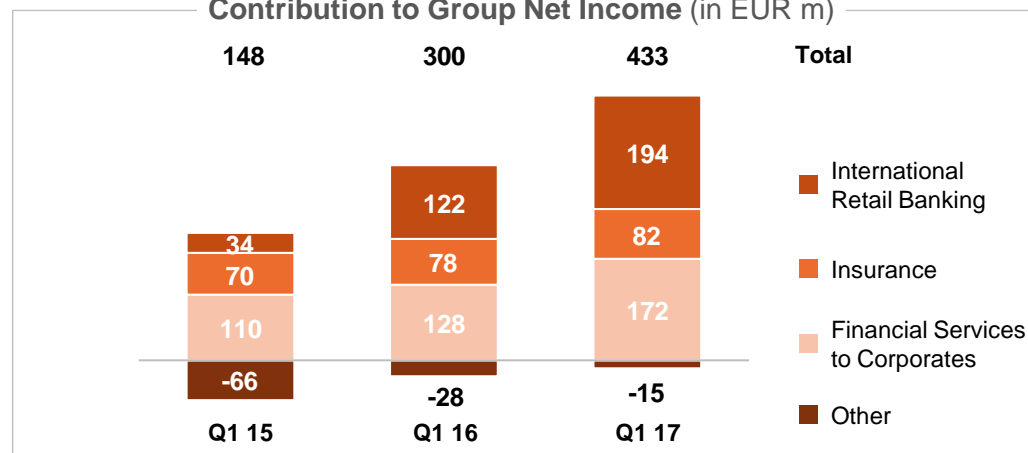
Leadership in Financial Services to Corporates

- Leading positions in Europe and globally in car leasing and Equipment Finance

Return On Normative Equity by Business ⁽¹⁾



Contribution to Group Net Income (in EUR m)



(1) Adjusted for IFRIC 21 implementation

SUSTAINABLE REVENUES WHILE INCREASING MARKET SHARES ON KEY FRANCHISES

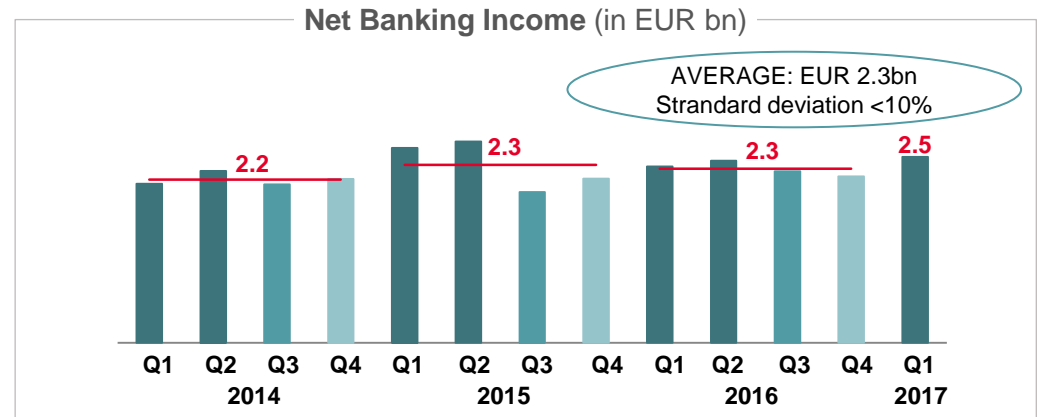
Less volatile and resilient NBI over the last 3 years

Successful transformation to client centric business model

Strong franchises with recognised expertise: equity derivatives, export finance, DCM, natural resources

Growth in Prime Services with Newedge integration

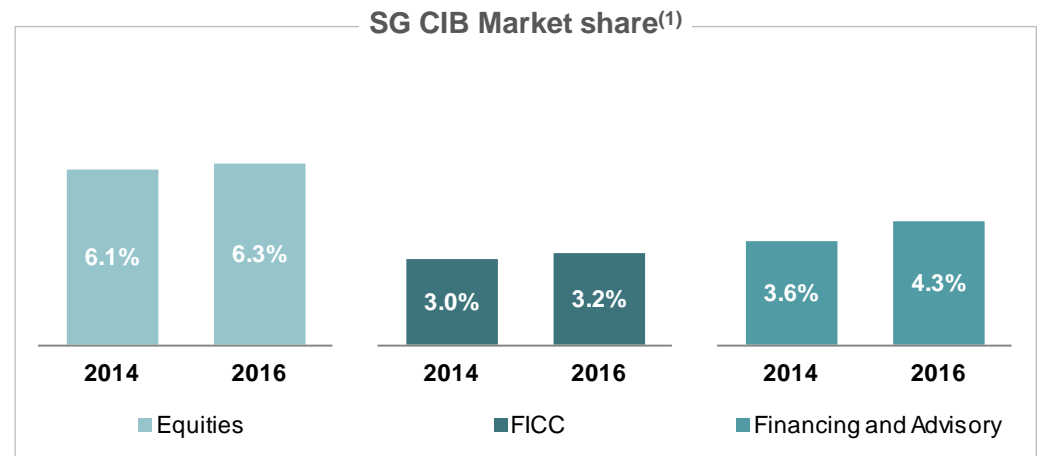
Increased contribution from Financing and Advisory supported by higher capital allocation



Increased market share

Global Markets: unique cross-asset presence with worldwide leadership in structured equity and growing fixed income

Financing and Advisory: geared towards specific areas of expertise



(1) Source: Internal analysis based on 2014-2016 NBI. Pool of top 15 banks (BoA, Citi, GS, JPM, MS, Barclays, BNPP, CS, DB, HSBC, Natixis, Nomura, Santander, Societe Generale, UBS)
At constant exchange rate

Note: Data as disclosed in respective years

2017: CONTINUED SUCCESSFUL ADAPTATION

Be at the forefront of innovation and digitalisation



Innovative hybrid solution for insurance companies

Global view and precise control over post-trade information

SGSS GALLERY

Credit Option Trade Builder
Rates Option Trade Builder

Pre trade services' access for clients via Group API⁽³⁾

Multi-device digital e-banking platform for Private Banking clients



Shared interface with corporate clients and sales to test FX hedging strategies



Continue to foster operational efficiency

EUR 407m of realised savings
2015-2017 cost savings plan 75% achieved

Front-to-back processing enhancements

Electronification: **market leader** on ELS and vol Swaps

Client satisfaction: **#3** on OTC derivatives post trade processing⁽²⁾

1st bank with ISO 9001 certification on warrants

Maintain focus on risks and scarce resources

Cost of risk
5bp in Q1 17
To be kept below “through the cycle” level of 25bp

Global Markets Risk Weighted Assets
16% of Group RWA in Q1 17
vs 17% in Q4 16

(1) Source: Mac Lagan

(2) API: Application Programming Interfaces

2017: GETTING READY FOR THE NEW STRATEGIC PHASE

Q1 17: Good performance in all businesses

Continued structural transformations

New simplified organisation with even higher focus on customer satisfaction, agility and compliance

Groupwide roll-out of the Culture and Conduct Programme

Strategic plan to be announced at Investor Day on 28th November 2017



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