



SOCIETE GENERALE

EUROPEAN FINANCIALS CONFERENCE

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21.03.2018



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.

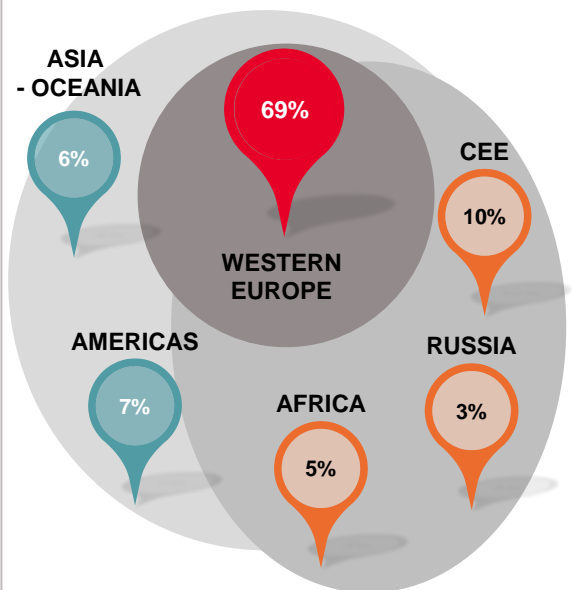
More detailed information on the potential risks that could affect Societe Generale's financial results can be found in the Registration Document filed with the French Autorité des Marchés Financiers.

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.

Figures in this presentation are unaudited.

INTERCONNECTING REGIONS AND FRANCHISES, AT THE BENEFIT OF OUR CLIENTS

A EUROPEAN LEADER CONNECTING EUROPE TO THE REST OF THE WORLD



% of 2016 Group revenues

WITH LEADING FRANCHISES ACROSS THE BOARD

N°1 Online Bank in France
N°3 Retail Bank in France
N°3 Private Bank in France

N°2 in Romania, **N°3** in Czech Republic, **N°2** foreign bank in Russia and **leading international** bank in Africa

N°1 in Fleet Management in Europe and **Top 3** globally
N°2 in Equipment Finance globally

World leader in Derivatives
Leader in Structured Finance
Lyxor **Top 3 ETFs** in Europe

FOCUSED ON HIGH POTENTIAL CLIENTS



B to C revenues
~35%

~40% of B to C revenues from professionals, mass affluent, wealthy clients
Wealth management at the core of the relationship



B to B and B to B to C revenues
~65%

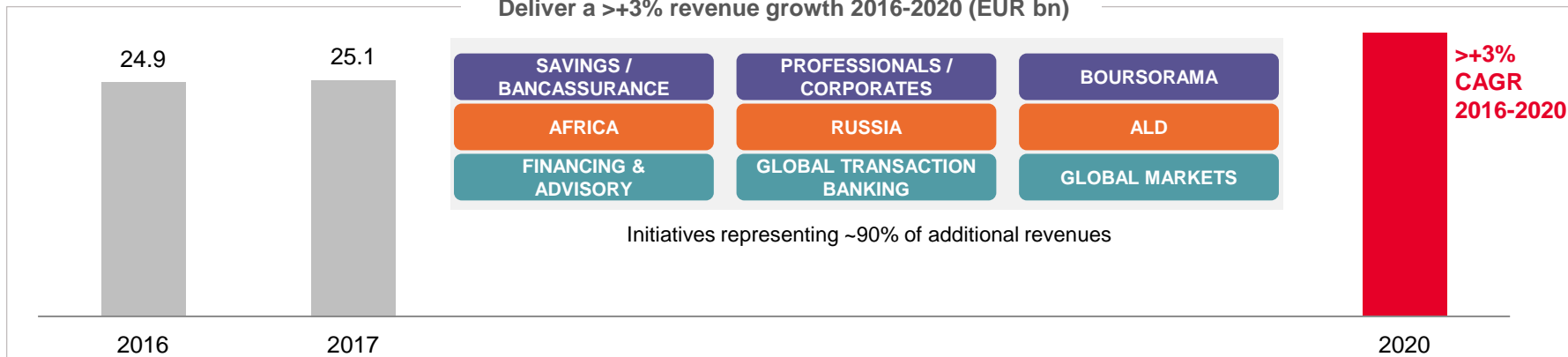
Higher barriers to entry
Relationship model as a core asset

% of 2016 Group revenues

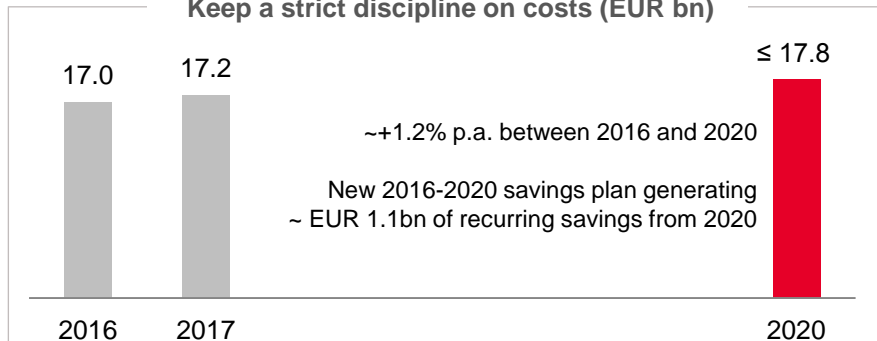
2020 ROADMAP

DELIVER SUPERIOR, SUSTAINABLE AND PROFITABLE GROWTH

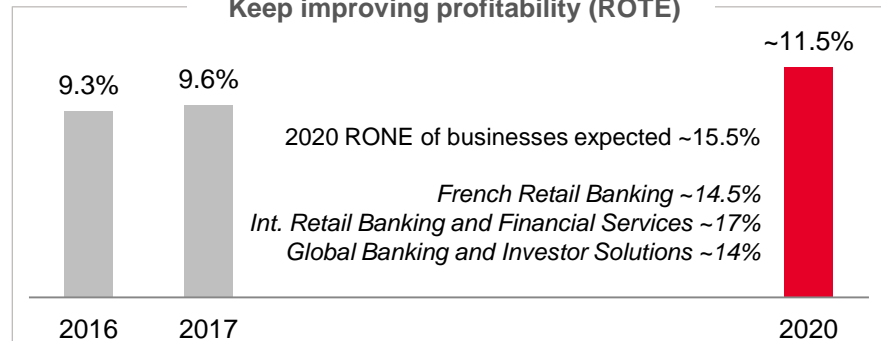
Deliver a >+3% revenue growth 2016-2020 (EUR bn)



Keep a strict discipline on costs (EUR bn)

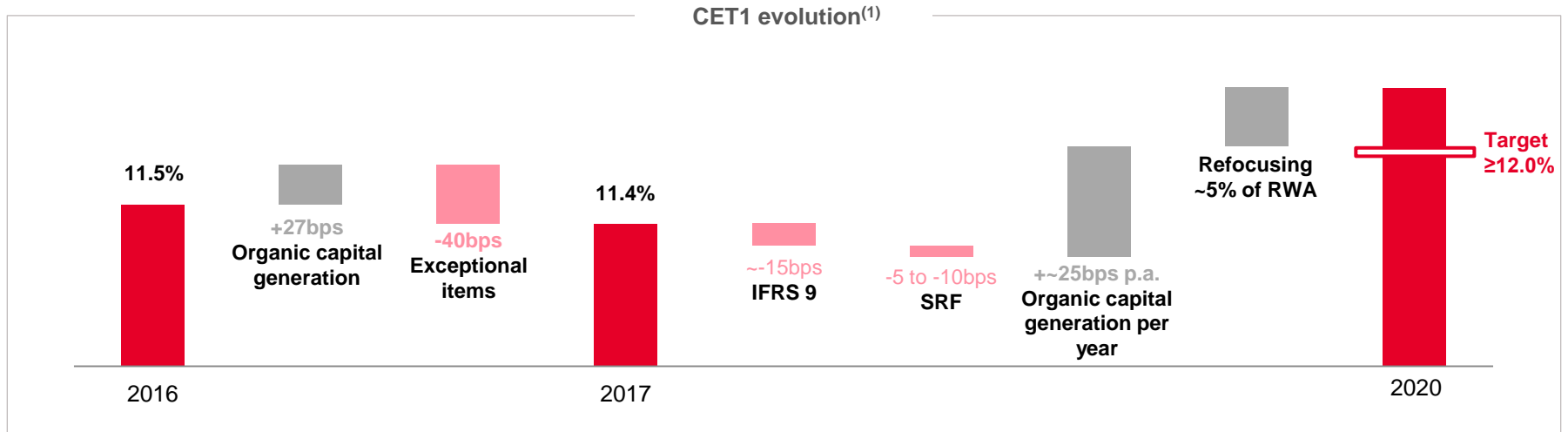


Keep improving profitability (ROTE)



2016 and 2017 underlying data: adjusted for non-economic and exceptional items

2020 ROADMAP STRONG BALANCE SHEET



- Targeting a 11.5% CET ratio in end 2018
- Manageable impact of Basel 3 completion (from 2022) : ~EUR +38bn increase in RWA on credit and operational risk (~+11%)⁽²⁾
- All balance sheet ratios above regulatory requirements
- Dividend payout at 50% and dividend floor at EUR 2.20 per share

(1) Fully-loaded, based on CRR/CRD4 rules, including the Danish compromise for Insurance

(2) Based on B/S and P&L as of end 2016. Before any management actions and further guidance on transposition in European law. Calibration of market risk (FRTB) still under review. No effect from output floor before 2027

FRENCH RETAIL BANKING: STRATEGIC OPTIONALITY FROM 3 COMPLEMENTARY BRANDS





STRENGTHS

- Solid nationwide franchise operating in the most dynamic regions
- Digital offer at the highest market standard

- Strong local footprint, with eight regional banks
- Exceptional quality of service and client satisfaction

- Leader in online banking
- Simple, fully-fledged and affordable offer
- High level of client satisfaction

KEY SEGMENTS WHERE WE ARE CHAMPIONS

Mass Affluent clients 
Corporates 

Professionals and SME 

Fully digital clients 

GROWTH DRIVERS BOOSTING INCOME AND REDUCING IMPACT FROM LOW INTEREST RATE ENVIRONMENT

Professionals/Corporate



Staying ahead and developing new growth drivers on our strong **Professional client base**



Capitalising on the Group's strengths and expertise to grow services to our **Corporate client base**

Savings/Bankinsurance



Addressing our high-end client base through a dedicated **Wealthy clients** set-up



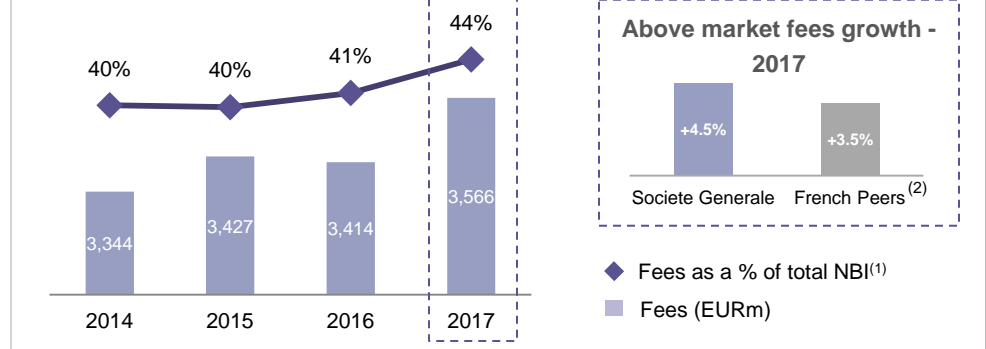
Capturing the full potential of the integrated **Bankinsurance** model, increasing equipment rate

Boursorama

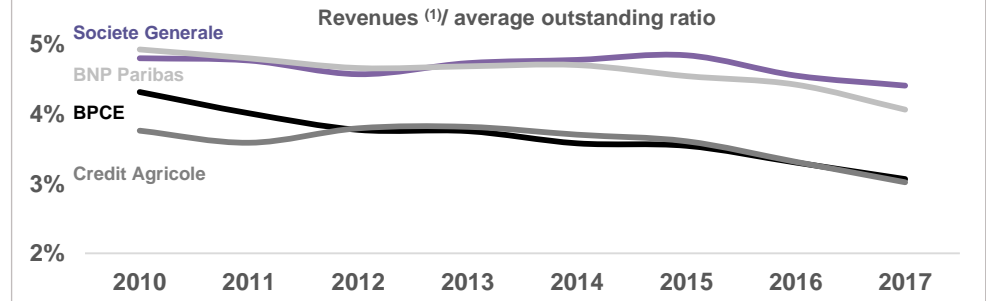


Being at the forefront of online banking growth thanks to the leadership of **Boursorama**

Increasing Fees Share



Protecting our margin



REVENUES CAGR 2016-2020 >+1%

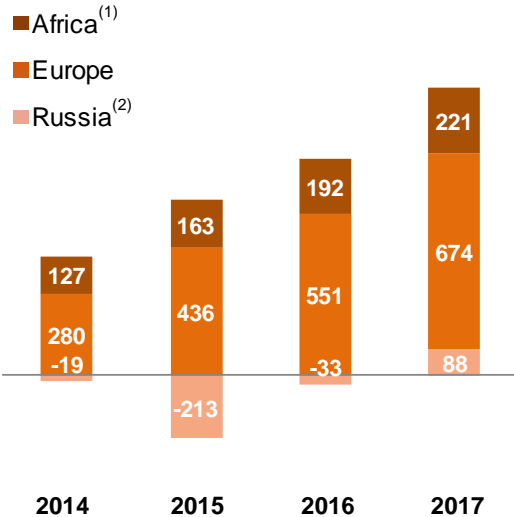
2020 RONE TARGET: ~14.5%

(1) (2) (3) See Appendix p.18

INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES: BENEFITING FROM MARKET GROWTH AND CONTINUED TRANSFORMATION

Significant Improvement in Russia, Europe and Africa
Contribution to Group Net Income (EURm)

International Retail 2017 RONE: 15.5%



Getting more from the bankinsurance model

EUR 1.8bn of cross-selling revenues in 2016

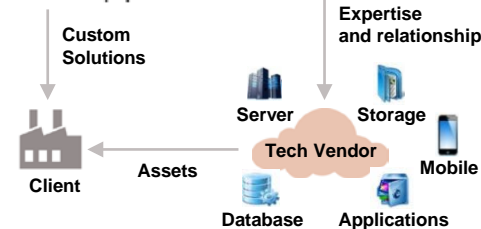
Cross-selling Revenues
~+6% CAGR 2016-2020

From traditional asset financing to managed services



ALD Fleet +8-10%
CAGR 2016-2019

SOCIETE GENERALE
Equipment Finance



Equipment Finance
Loans and Leases
+6% CAGR
2016-2020

REVENUE CAGR 2016-2020 >+5.5%

2020 RONE TARGET: ~17%

(1) (2) (3) See Appendix p.18

GLOBAL BANKING AND INVESTOR SOLUTIONS: GAINING MARKET SHARE AND IMPROVING PROFITABILITY

Societe Generale market share⁽¹⁾

4.2%

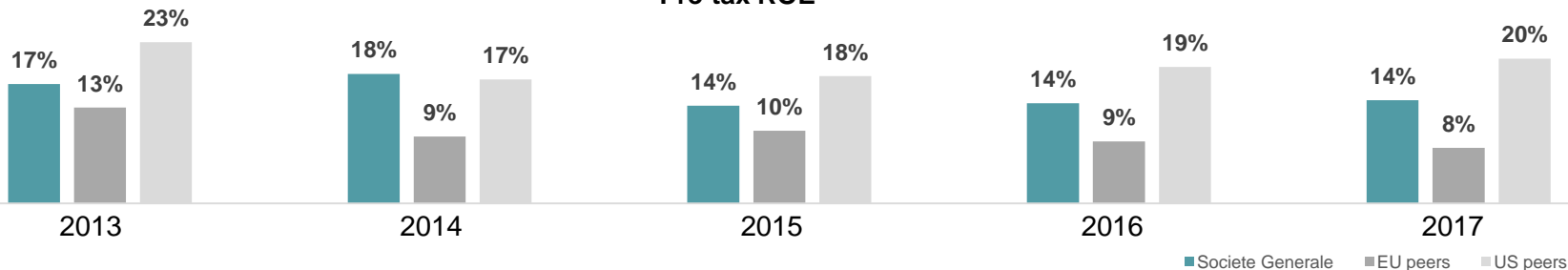
4.3%

4.9%

5.0%

5.1%*

Pre-tax ROE^{(2),(3),(4)}



Headwinds

Mitigation actions

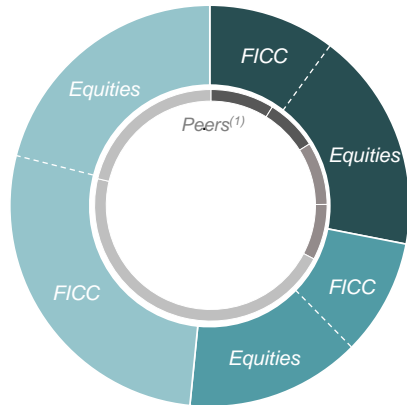


REVENUES CAGR 2016-2020 >+2.5%

2020 RONE TARGET: ~14%

* H1 2017, (1) (2) (3) (4) See Appendix p.18

AN AGILE AND DIVERSIFIED BUSINESS MIX



INVESTMENT SOLUTIONS 28%

Strong ability to address our clients investment requests

- One of the largest structuring teams in the industry
- An all-assets Structured Products house
- A distribution leader

FINANCING SOLUTIONS 24%

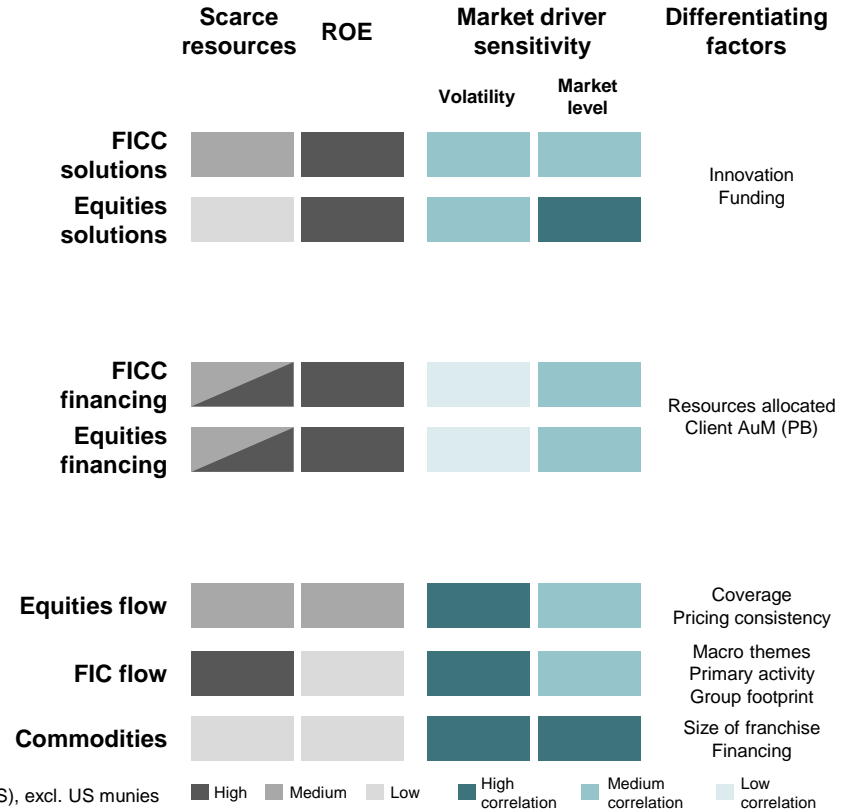
Servicing clients needs in a low rates environment

- Development via Newedge acquisition
- Active player in Bonds and Equity repo markets
- Asset backed products push
- Balance sheet optimisation

FLOW BUSINESS 48%

Constant provider of liquidity

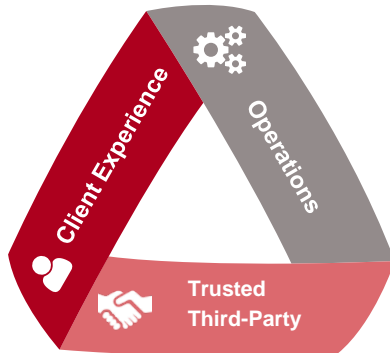
- Leader in Equity flow derivatives
- Long standing commitment to Commodities
- Leader in agency listed products



(1) Source: 2016 Coalition Index, Top 12 banks excl. SG (BoA, Barc, BNPP, Citi, CS, DB, GS, HSBC, JPM, MS, UBS), excl. US munies

TECHNOLOGY: NEW LEVERS TO CREATE BUSINESS VALUE

A Technology intensive company reshaping its strategic priorities



Well engaged on the digital journey and accelerating

1



Boost Disruptive Innovation

Open innovation approach

Internal Startup Call

Societe Generale innovation fund: up to EUR 150m over 2018-2020

2



Grow the Information Systems Value

Towards a data-centric and open banking architecture leveraging on APIs

Leverage on open source and cloud technologies

Cyber security as a foundation of clients' trust

3



Transform the Delivery Models and Expertise

Enhance efficiency through processes industrialization and agile delivery models

Create a unique technology community to source best talents

AN OPEN, AGILE AND FOCUSED APPROACH

COMMITTED TO POSITIVE TRANSFORMATIONS



CLIMATE CHANGE

- ✓ Engage in the fight against global warming: EUR 100bn contribution to the financing of the energy transition over 2016-2020



OFFERS IN LINE WITH
SOCIAL TRENDS

- ✓ Specific offers to entrepreneurs and start-ups and investments in new mobility and sustainable cities



CLIENT SATISFACTION & PROTECTION

- ✓ Ensure best-in-class client experience and protection



CULTURE, CONDUCT AND GOVERNANCE

- ✓ Accelerate cultural transformation based on our four values: team spirit, commitment, responsibility and innovation



RESPONSIBLE EMPLOYER

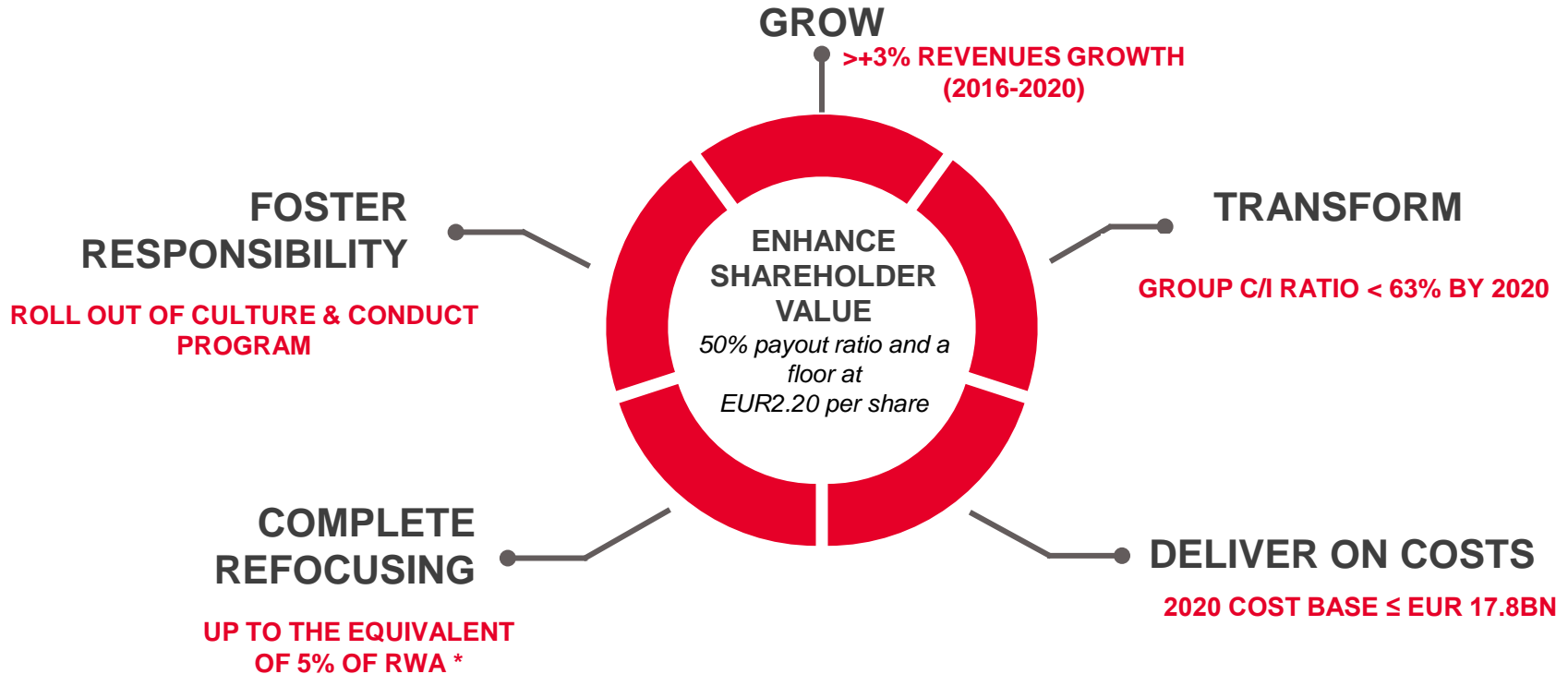
- ✓ Responsible employer : include, grow and engage our people



AFRICA

- ✓ Contribute to the sustainable development of Africa supporting new development model and financial inclusion through digital solutions

2020 STRATEGIC PRIORITIES



SOCIETE GENERALE INVESTMENT CASE

1

WE ARE A EUROPEAN BANK WHICH WILL COMBINE SUPERIOR GROWTH AND ATTRACTIVE DIVIDEND POLICY

2

WE HAVE THE HUMAN EXPERTISE AND TECHNOLOGY RESOURCES TO LEVERAGE ON HIGH-POTENTIAL CLIENT FRANCHISES

3

WE HAVE THE STRATEGIC ABILITY TO ANTICIPATE MARKET TRENDS AND USE INNOVATION AS A COMPETITIVE EDGE

4

WE WILL MAINTAIN A STRICT COST DISCIPLINE

5

OUR MANAGEMENT TEAM AND OUR EXCEPTIONALLY COMMITTED STAFF ARE FULLY ALIGNED WITH SHAREHOLDER EXPECTATIONS

APPENDIX

WHAT WE HAVE DELIVERED IN 2017

A GOOD UNDERLYING PERFORMANCE

Revenues⁽¹⁾

EUR 25.1bn
+0.5% vs. 2016

Operating Expenses⁽¹⁾

EUR 17.2bn
+1.5% vs. 2016

Net Cost of Risk⁽²⁾

19bp
-18bp vs. 2016

Group Net Income⁽¹⁾

EUR 4.5bn
+8.4% vs. 2016

Profitability⁽¹⁾

2017 ROTE **9.6%**
2017 ROE **8.3%**

Revenues

Ongoing stabilisation of **French Retail Banking**
Record performance of **International Retail Banking and Financial Services**
Resilient performance of **Global Banking and Investor Solutions**

Cost trajectory in line with strategic developments

Cost savings plan exceeding target : EUR 1.21bn over 2015-2017 vs. target of EUR 1.07bn

Very low **cost of risk** across all regions and businesses

Increased underlying **Group Net Income** in 2017

Proposal for a EUR 2.20 **dividend** per share⁽³⁾

(1) Underlying data : adjusted for non-economic and exceptional items

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

(3) 2017 dividend proposed by the Board to the Ordinary General meeting of shareholders approval

WHAT WE HAVE DELIVERED IN 2017

CONFIRMING OUR STRATEGIC PLAN IN THE BUSINESSES

FRENCH RETAIL BANKING

Accelerating transformation while maintaining good commercial momentum

*Acceleration announced in November
+4.7% new customer relationship with wealthy and mass affluent clients ⁽²⁾*

Increasing share of fees in revenues thanks to growth drivers

Fees representing 44% of 2017 net banking income

Confirming Boursorama as the online banking leader in France

#1 Online Bank in France with 1.3m clients

RONE⁽¹⁾ 12.5%

INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES

Record Group Net Income contribution
~EUR 2bn

Strong financial performance in Europe

RONE 17.8% +3pts versus 2016

Turnaround in Russia

RONE at 9.6%

Insurance: increased share of unit-linked products

Unit-linked product 26% of the stock

ALD⁽³⁾: successful roll out of strategy

2017 target all met - Net income +10.9%

RONE⁽¹⁾ 17.7%

GLOBAL BANKING AND INVESTOR SOLUTIONS

Strong market recognition and market share gains

5.1% market share in H1 17

Strict control of costs and scarce resources

2015-2017 cost savings plan: 103% achieved - EUR 560m of savings delivered

Increased operational efficiency supported by accelerating digitalization (APIs, cloud, agile delivery ...)

RONE⁽¹⁾ 10.9%

- (1) Excluding PEL/CEL for French Retail Banking and exceptional items
(2) Increase in number of clients for Societe Generale and Credit du Nord
(3) Based on ALD standalone financials and guidance

NOTES

Slide 7 – French Retail Banking

- (1) Revenues excluding PEL/CEL provision
- (2) BNPP, Credit Agricole (Caisses Régionales and LCL), BPCE, Credit Mutuel (Groupe CM11 and CIC)
- (3) Societe Generale network

Slide 8 – International Banking and Financial Services

- (1) Excluding notably French overseas territories, which are included in Africa and others in Group quarterly results presentations
- (2) Adjusted for goodwill impairment in 2014
- (3) ALD standalone financials

Slide 9 – Global Banking and Investor Solutions

- (1) Societe Generale market share against Index Banks (BOA, Barc, BNPP, Citi, CS, DB, GS, HSBC, JPM, MS, UBS), Coalition Competitor Analytics
- (2) Source: Competitors' financial communication at constant exchange rates, scope: Market activities, Securities Services, Financing & Advisory, Transaction Banking excluded when feasible
- (3) EU peers include Barc, BNPP, CA, DB, RBS and UBS; US peers include BOA, Citi, JPM and MS
- (4) Excluding non economic and exceptional items for SG