



**SOCIETE GENERALE**  
EUROPEAN CEO CONFERENCE

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# DISCLAIMER

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*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.*

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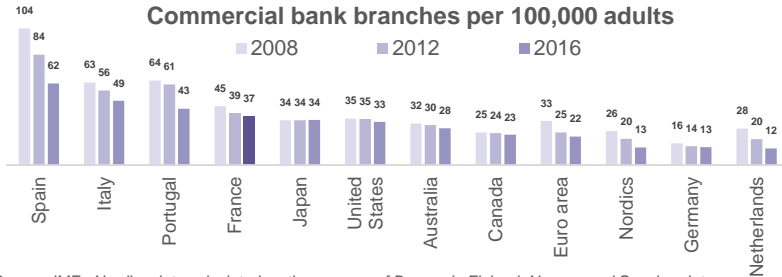
*Figures in this presentation are unaudited.*

# LEVERAGE ON OUR STRENGTHS AND ADAPT TO A CHANGING ENVIRONMENT

	FRENCH RETAIL BANKING	INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES	GLOBAL BANKING AND INVESTOR SOLUTIONS
 <b>Structural trends</b>	<p>French government commitment to lead domestic reforms</p> <p>Strong competition in the banking sector</p>	<p>Sustained growth across regions</p> <p>Emergence of new societal trends</p>	<p>Monetary policy normalization</p> <p>New regulatory paradigm</p>
 <b>Top positions</b>	<p><b>N°1 Online Bank</b> in France</p> <p><b>N°3 Retail Bank</b> in France</p> <p><b>N°3 Private Bank</b> in France</p>	<p><b>Leader</b> in Romania, Czech Republic, Russia and Africa</p> <p><b>N°1 Fleet Management</b> in Europe</p> <p><b>N°2 Equipment Finance</b> globally</p>	<p><b>World leader</b> in Derivatives</p> <p><b>Leader</b> in Structured Finance</p> <p>Lyxor <b>Top 3 ETFs</b> in Europe</p>
 <b>Strategic priorities</b>	<p>Steady transformation pace to adapt our model while enhancing customer experience and satisfaction</p> <p>Strengthen Boursorama leadership position</p>	<p>Realise growth potential in International Retail Banking</p> <p>Develop the bancassurance model</p> <p>Establish ALD as the undisputed leader in mobility services</p>	<p>Consolidate our leadership in derivatives and structured finance</p> <p>Strengthen our European presence</p> <p>Maintain strong discipline on costs and capital</p>

# TRANSFORMING OUR FRENCH RETAIL MODEL

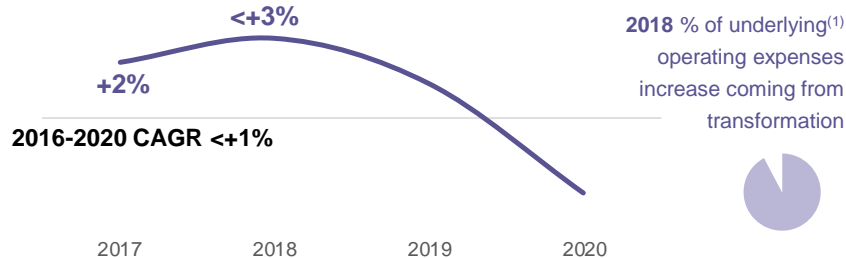
## Transforming our relationship model In a branch-centric French retail market, we are transforming progressively to adapt to our client needs



Source: IMF - Nordics data calculated as the average of Denmark, Finland, Norway and Sweden data

## Investing to create the French bank of tomorrow

Underlying<sup>(1)</sup> operating expenses evolution - illustrative trajectory



(1) Excluding 2017 exceptional items (adaptation of French Retail Network for EUR -390m and EIC fine for EUR -60m)

## Developing our growth drivers

### Further enhancing our expertise on corporates and professionals



Staying **ahead** and developing new growth drivers for **professionals**



Accompanying **corporate** development in France and abroad  
Being the partner of **entrepreneurs** with a dedicated IB  
Participating in new **infrastructure** financing opportunities

### Continuing shift in the model for individual clients



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



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



**Boursorama**: Developing our leadership in online banking  
# of clients **x2** over 3 years, reaching **1.4m** clients at the end of March 2018

# INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES A PROFITABLE GROWTH ENGINE

## Deliver profitable growth in international retail banking



### Record contribution from Europe

Strategy to be among the top banks in selected CEE markets  
Normalisation of cost of risk expected to be progressive



### Successful turnaround in Russia

Ambition to be the leading foreign bank with a >16% RONE in 2020  
Focus on organic growth in new corporate client segments and retail activity  
Completing the restructuring of the retail network



### Growth and improving returns in Africa and Other

Strategic plan in place to reach the 2020 RONE objective of 15% by 2020  
Revenue growth from initiatives in FX, structured finance, GTB  
Accelerating retail activity through agency banking (Yup)  
Operating efficiency gains from regional hubs and digitalisation

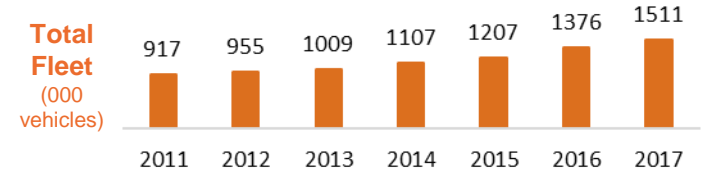
## Fast growing and highly profitable Insurance & Financial services businesses



ALD: A high-growth story with a confirmed leadership, #1 in Europe, #2 Globally

### Full year 2018 guidance confirmed<sup>(1)</sup>

Total Fleet +8%/+10% vs. 2017  
Leasing Contract & Services Margins to grow in line with Total Fleet  
Car Sales Result EUR 200 and EUR 400 per vehicle



### Getting More from the Bancassurance Model

Targeting 2016-2020 CAGR total revenues in France of ~+6% (including fees from French retail)  
Development of unit-linked investment solutions  
Increasing penetration of retail banking clients

Revenues across the Group

**EUR 2.1bn**  
+8%<sup>(2)</sup> vs. 2016

(1) ALD standalone financials (2) Excluding Antarius acquisition

# LEVERAGE ON CORE FRANCHISES TO EXTEND OUR LEADERSHIP

## Global Markets and Investor Services

### Take advantage of our leadership position in derivatives

Grow our Prime Brokerage platform, leveraging on post trade evolution through execution, clearing and securities services

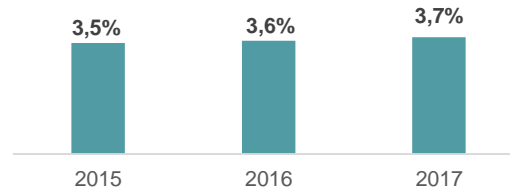
Grow our investment solutions franchise with Corporate clients

### Enhance our top positioning in Europe across products

Invest in Fixed Income, notably in Rates and Credit

Leverage our Bank network in Eastern Europe

Global Markets market share<sup>(1)</sup>



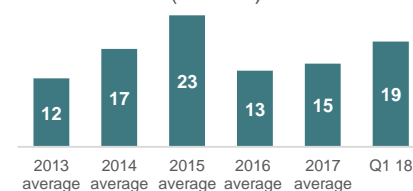
## Financing & Advisory

Expand existing franchises and extend our reach in advisory through sectorial expertise

In GTB, maintain leadership position in France and extend our leadership across Western Europe



Quarterly originated volumes (EURbn)



## Wealth & Asset Management

Be a pioneer by leveraging on open architecture and on a more industrial approach

Bring institutional expertise to High Net Worth Individuals and retail distributors

(1) Source: Coalition. Share based upon SG performance and the Coalition industry Global Markets Revenue Pools according to SG's product taxonomy

# IMPROVED RISK PROFILE AND DISCIPLINE

## Continuing to improve asset quality

**SELECTIVE ORIGINATION**

**IMPROVED RISK TOOLS**

**PROACTIVE SINGLE NAME  
AND SECTOR RISK  
MANAGEMENT**



**DYNAMIC AND FORWARD  
LOOKING MANAGEMENT  
OF RISK APPETITE**

## Downward trend in the commercial cost of risk

Low cost of risk across all businesses and regions

Demonstrating selective origination policy and adequate risk monitoring

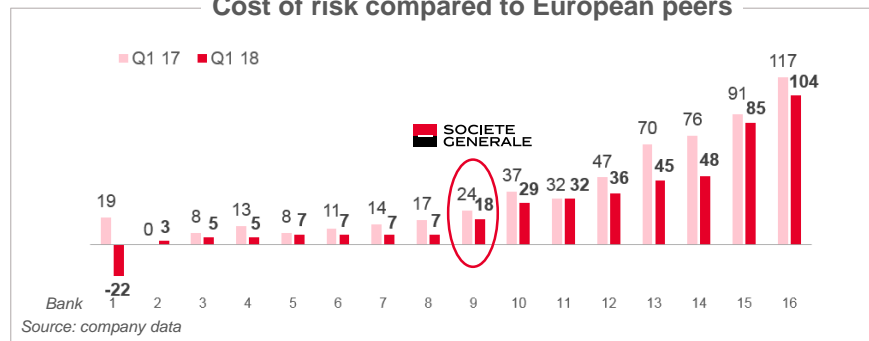
## Rating

Senior unsecured debt upgraded to A1 by Moody's (April 18)

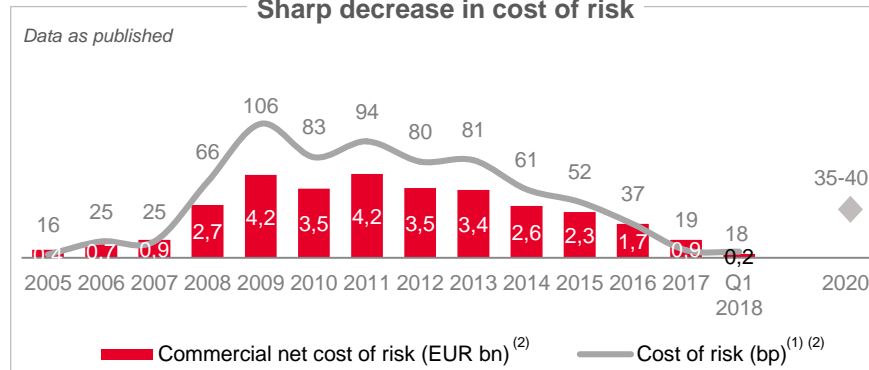
DBRS: trend on the long-term ratings changed to Positive from Stable (May 18)

- (1) Outstanding at beginning of period. Annualised
- (2) Excluding provisions for CIB legacy assets up to 2013, and provisions for disputes

## Cost of risk compared to European peers



## Sharp decrease in cost of risk



# COMMITTED TO DELIVER OUR STRATEGIC PLAN

2018

GROW

**Stabilisation of revenues** in French Retail Banking  
**Strong net income growth** in International Retail Banking and Financial Services  
**Higher return than European peers** in Global Banking and Investor Solutions

2018

FOSTER RESPONSIBILITY

Putting litigation behind us: pro forma litigation provision post settlements of IBOR and Libyan matters ~EUR1.2 bn eq.

Meet Culture & Conduct best-in-class standards

2018

TRANSFORM

**50%** of front-to-back internal processes in the French Retail Network **automated and digitalised by 2018**

**65%** of our IT infrastructure on **Public/Private Cloud**

ENHANCE  
SHAREHOLDER  
VALUE

2018

COMPLETE REFOCUSING

Processes launched for more than 50% of our target  
Material announcements expected by year-end

2018

DELIVER ON COSTS

Maintain strict control on costs

A NEW GROUP GOVERNANCE TO DELIVER THE PLAN: 30 EXECUTIVES WITH COMMON OBJECTIVES AND REMUNERATION POLICY