

DEEP DIVE INTO



EMERGING
LEADERS



28.11.2017

DEEP DIVE INTO EMERGING LEADERS



Séverin Cabannes
Deputy CEO



Didier Hauguel
Head of Russia

RUSSIA

- A transformed bank in a stronger economy
- Ability to reinforce a sustainable and profitable business



Alexandre Maymat
Head of Africa

AFRICA

- A region that offers solid growth and returns
- An established and diversified African presence
- Build the business model of tomorrow



Mike Masterson
CEO of ALD

MOBILITY

- Be the undisputed global leader
- At the forefront of innovation in mobility services
- Capture the growing Private Lease opportunity

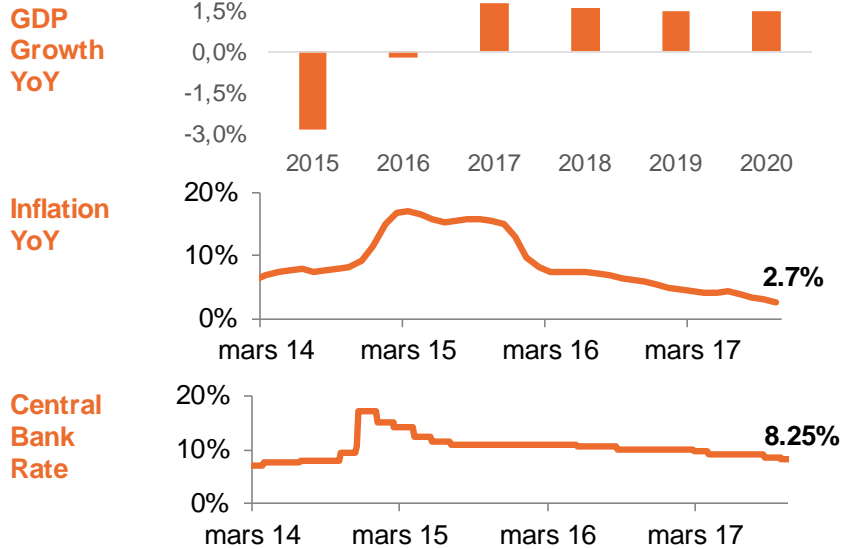
EMERGING
LEADERS



RUSSIA

RUSSIA: AN IMPROVED ECONOMY AND BANKING SECTOR

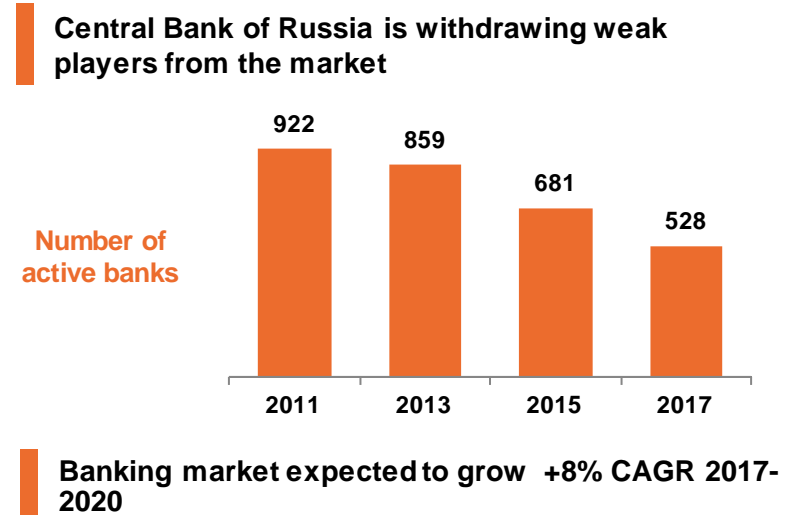
Improving Economic Environment



Source: IMF and Federal Service of Statistics

The Russian economy is expected to continue to recover gradually in 2018 and onwards

Healthier Banking Sector



Source: Bank of Russia

The clean-up of the banking sector is an opportunity for the most reliable and dynamic players

SG RUSSIA: A SUCCESSFUL TRANSFORMATION

Attractiveness

- Renewed product offer and digital solutions
- Nationwide presence, #3 in retail lending
- Systemic bank with highest ratings (BBB- / AAA local) ratings

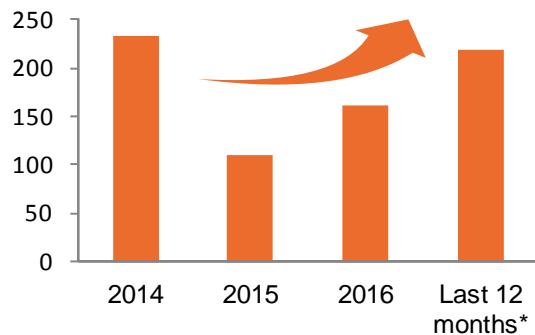
Sustainability

- Structural investments kept as a priority and delivered
- Strengthened balance sheet: fully self-funded model
- Prudent risk management

Efficiency

- Streamlined organisation and processes
- Staff reduced by ~5000 FTE vs. 2014
- Optimized set-up: closure of 1/3 of retail outlets

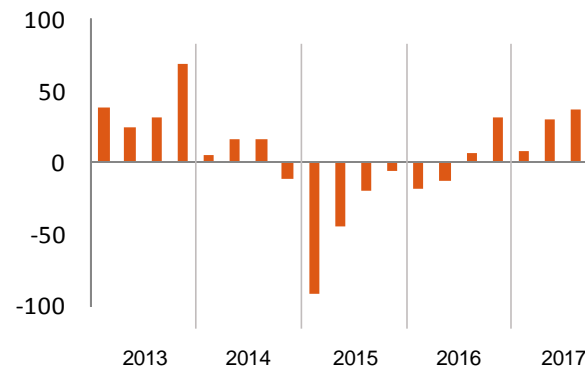
Recovery in Retail Loan Production



*As of Q3 17

Retail Loan Production (RUB bn)

Profitability Restored



Group Net Income (EUR m)

ESTABLISH SG RUSSIA AS THE LEADING FOREIGN BANK

ENABLERS

Corporate business to continue to play on its strengths

- Leverage on Group expertise in key Russian economy sectors
- Serve local Tier 1 corporate clients and multinationals
- Diversify into new client segments

Retail business: Volume growth and synergies

- Client acquisition fuelled by consumer and mortgage platforms
- Greater customer loyalty and deposit gathering
- Roll out of SG Russia Digital Store

AMBITION

- ▶ A reference bank on the Russian market
- ▶ A recognized provider of a comprehensive digital client offer
- ▶ An efficient and integrated banking platform

TARGETS 2020
Revenues ~+11% CAGR 2016-2020
2020 RONE >16%

EMERGING
LEADERS

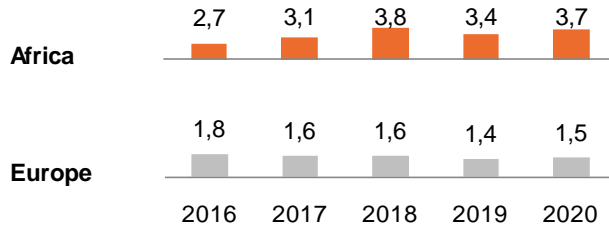


AFRICA

AFRICA: SOLID GROWTH AND RETURNS

SOLID ECONOMIC GROWTH

Africa⁽¹⁾ vs. Europe⁽²⁾ Real GDP Growth



A PRESENCE IN AFRICA OFFERS EXPOSURE TO:

- ▶ Positive demographic trends, natural resources, growing domestic and international investment, the rise of the local corporate sector
- ▶ A fast-growing banking sector, better resilience to fee and margin erosion, some of the most profitable emerging markets

- (1) Africa: Algeria, Benin, Burkina Faso, Cameroon, Chad, Ivory Coast, Equat. Guinea, Ghana, Guinea, Madagascar, Mauritania, Morocco, Rep.Congo, Senegal, Tunisia
 (2) Europe: Eurozone, UK and Switzerland
 (3) Internal estimate based on public data: weighted average of countries where the Group is present (weighted by Group net income)
 (4) World Bank: Account at a formal financial institution (% age 15+)

DYNAMIC BANKING MARKET WITH AMPLE ROOM TO GROW

An attractive market⁽³⁾

5yr avg. historical market return: **15%**

2017-2020 Revenue CAGR: **~+8%**

A low banking penetration⁽⁴⁾

- African markets: **20%**
- Euro Area: **>95%**

TARGETS 2020*

Revenue CAGR 2016-2020
~+8%







2020 RONE >15%

*Excluding French overseas territories

AFRICA: AN ESTABLISHED, BALANCED AND DIVERSIFIED PRESENCE

Established

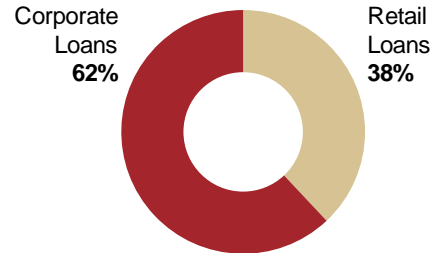
More than 100 years in Africa

	Côte d'Ivoire	#1
	Cameroon	#1
	Senegal	#2
	Morocco	#4
	Tunisia	#7
	Algeria	#1(*)

Ranking by total loans (local central bank and company data)
(*) as a private bank

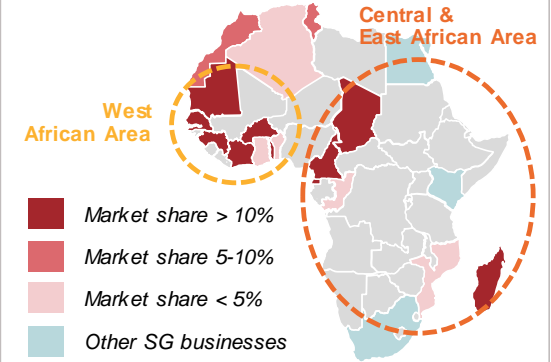
Balanced

Accompanying corporate clients



Developing retail business

Diversified



Source: local central bank and company data

STRATEGIC PRIORITIES



Differentiate through the expertise of an international bank:

- Recognised added value with corporates through the technical expertise of the business lines of the Group
- Accompanying our corporate and public sector clients in infrastructure project financing
- Develop financial links between our geographies



Boost operational efficiency

- Leveraging on regional hubs
- Improving attraction and development of local talent



Gain market share in retail

- Secure deposit growth thanks to exposure to retail segment
- Increase the number of clients through greater segmentation

AFRICA: BUILD THE NEW RETAIL BANKING MODEL THROUGH DIGITALISATION & INNOVATION

BETTER SERVE OUR CLIENTS

DIGITAL INTERACTIONS AND PROCESSES

Digital in branches

-  Digital interactive kiosks in **12 countries**
-  Remote on-boarding
Intelligent Queuing and Ticketing Systems

MOBILE BANKING

Shared mobile banking platform

-  **8 countries**
-  Already 180k clients in Morocco after 10 months


DEVELOP FINANCIAL INCLUSION


STARTUP INVESTMENT TO BUILD VIRAL E-WALLET ECOSYSTEM

TagPay



YUP

-  Innovative mobile money solution, independent from telcos and device agnostic

-  Deployed in Senegal, Ivory Coast, soon in Ghana, Cameroon, Burkina Faso

x2 clients
In 2020

8k points of sale
In 2020

1m wallets
by 2020

Innovation
LABs

Innovation Culture
Dakar, Tunis and
Casablanca

- ▶ Digitalise clients operations and bank processes
- ▶ Double the number of clients by 2020 thanks to a new e-wallet set-up


EMERGING
LEADERS



ALD

ALD: A LEADER IN MOBILITY

A leading international provider of full service leasing and fleet management

 **1.48m** vehicles under management serving mainly corporate clients

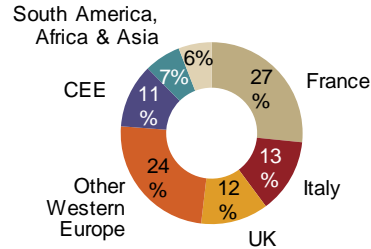
 **#1** in Europe, **#3** globally

 **43 countries** with top 3 positions in 26 countries

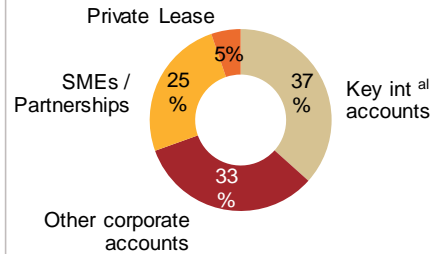
 Non-regulated corporate with **~6,000** employees

A diversified client base

Geographies



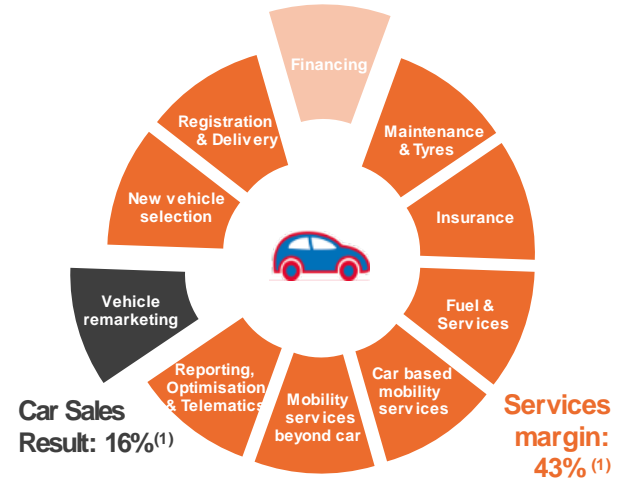
Clients



End of 2016 data

A broad range of services

Leasing Contract Margin: 41%⁽¹⁾

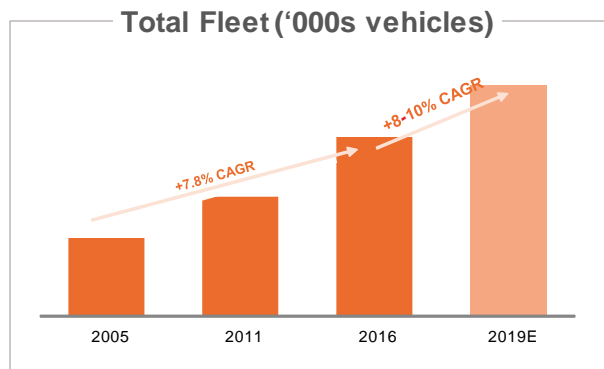


⁽¹⁾ Based on breakdown of FY 2016 contribution of ALD gross operating income to SG NBI

A HIGH-GROWTH STORY

ALD: LEADING MARKET POSITION

- Scale is a competitive advantage
- Sustained fleet growth to continue
- Emerging markets development
- Opportunistic bolt-on acquisitions



MULTI-CHANNEL DISTRIBUTION AS A DIFFERENTIATING FACTOR

DIRECT SALES (72% of fleet)

- Riding the outsourcing trend
→ increasing penetration of FSL
- Aiming for top 3 rank in all markets
- Strong client diversification

PARTNERSHIPS (28%)

- Driving 25+% fleet growth



Car manufacturers
(90+ agreements)



Banks (23 partners –
16 countries)

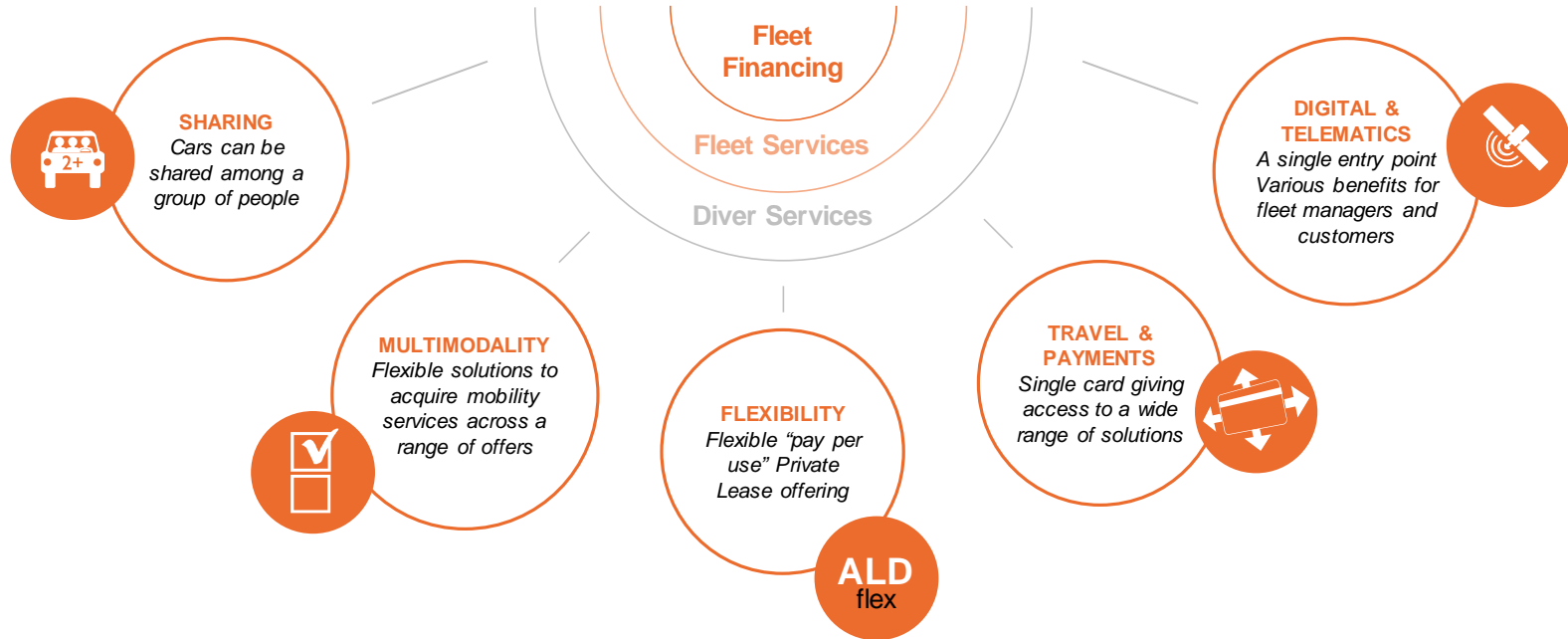


Other: Blablacar, Enel,
Norauto, Iper...

TARGET 2019

2016-2019 Contribution to Group Net Income CAGR +7% at constant perimeter

AT THE FOREFRONT OF INNOVATION



- ▶ Proprietary solutions covering every aspect of mobility
- ▶ Innovation to generate more volumes, lower costs, higher margins



QUESTION TIME

MAIN TARGETS

INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES

- Revenue CAGR 2016-2020: >+5.5%
- Operating Expenses CAGR 2016-2020: <+4%
- 2020 C/I Target: <53%
- 2020 RONE Target: ~17%

EMERGING LEADERS

RUSSIA

- 2016-2020 Revenue CAGR: ~+11%
- 2020 RONE Target: >16%

AFRICA

- 2016-2020 Revenue CAGR: ~+8%
- 2020 RONE Target: >15%

ALD

- ~+7% annual Group net income growth at constant perimeter (2016-2019)

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.