

PRESS RELEASE

Paris, 6 April 2018

Communication of new quarterly series

As part of the new organization of the Group and the presentation of the new strategic plan “Transform to Grow” on November 28th 2017, the following changes will be applied to the quarterly series from Q1 2018:

- Global Transaction and Payment Services business will be transferred from French Retail Banking to Global Banking and Investor Solutions.
- The analytical split of results of the Insurance business distributed through French Retail Banking and Private Banking will be modified to better reflect cooperation between these businesses.
- Following the reorganisation of the Group in Business Units and Service Units, the allocation of overhead costs will be changed and the “Other” aggregate in International Retail Banking and Financial Services will no longer exist.

These elements have no effect on Group results or the financial targets communicated during the Investor Day.

- Appendix 1: standalone effect of the main elements mentioned above in 2016 and 2017.
- Appendix 2: new historical series

Communicated figures are not audited.

Appendix 1

In EURm

Transfer of GTPS business

From: French Retail Banking

To: Global banking and Investor Solutions (Financing and Advisory)

	2016	2017
NBI	269	273
Operating expenses	-201	-220
Group net Income	31	22

New analytical sharing of results of Insurance business

From: International Retail Banking and Financial Services (Insurance)

To: French Retail Banking / Asset and Wealth Management

	2016	2017
NBI	158	166
Operating expenses	-62	-66
Group net Income	64	67

Appendix 2

French Retail Banking

<i>(In millions of euros)</i>	2016	Q1 17	Q2 17	Q3 17	Q4 17	2017
French Retail Banking						
Net banking income	8,280	2,023	2,026	1,914	2,051	8,014
Operating expenses	-5,377	-1,420	-1,352	-1,339	-1,828	-5,939
Gross operating income	2,903	603	674	575	223	2,075
Net cost of risk	-679	-129	-129	-105	-184	-547
Operating income	2,224	474	545	470	39	1,528
Net income from companies accounted for by the equity method	50	16	4	7	6	33
Net income from other assets	-11	0	5	0	4	9
Income tax	-746	-159	-184	-157	-11	-511
Net income	1,517	331	370	320	38	1,059
<i>O.w. non controlling interests</i>	<i>0</i>	<i>0</i>	<i>0</i>			<i>0</i>
Group net income	1,517	331	370	320	38	1,059
Average allocated capital	10,492	10,759	10,797	11,077	11,475	11,027

International Retail Banking and Financial Services
(In millions of euros)

	2016	Q1 17	Q2 17	Q3 17	Q4 17	2017
International Retail Banking and Financial Services						
Net banking income	7,432	1,940	1,968	1,949	2,057	7,914
Operating expenses	-4,203	-1,177	-1,008	-1,051	-1,168	-4,404
Gross operating income	3,229	763	960	898	889	3,510
Net cost of risk	-797	-111	-59	-111	-119	-400
Operating income	2,432	652	901	787	770	3,110
Net income from companies accounted for by the equity method	37	12	6	27	-4	41
Net income from other assets	58	35	-2	0	3	36
Impairment losses on goodwill	0	1	0	0	0	1
Income tax	-655	-181	-230	-207	-202	-820
Net income	1,872	519	675	607	567	2,368
<i>O.w. non controlling interests</i>	275	91	107	114	117	429
Group net income	1,597	428	568	493	450	1,939
Average allocated capital	10,716	11,158	11,352	10,928	11,111	11,137
o.w. International Retail Banking						
Net banking income	5,024	1,282	1,315	1,311	1,370	5,278
Operating expenses	-3,081	-857	-712	-756	-846	-3,171
Gross operating income	1,943	425	603	555	524	2,107
Net cost of risk	-739	-98	-50	-97	-104	-349
Operating income	1,204	327	553	458	420	1,758
Net income from companies accounted for by the equity method	19	5	1	12	8	26
Net income from other assets	58	35	-2	0	3	36
Impairment losses on goodwill	0	1	0	0	0	1
Income tax	-287	-86	-128	-106	-98	-418
Net income	994	282	424	364	333	1,403
<i>O.w. non controlling interests</i>	266	89	98	87	87	361
Group net income	728	193	326	277	246	1,042
Average allocated capital	6,475	6,715	6,865	6,633	6,723	6,734
o.w. Europe International Banking						
Net banking income	3,010	740	741	748	764	2,993
Operating expenses	-1,707	-471	-331	-395	-442	-1,639
Gross operating income	1,303	269	410	353	322	1,354
Net cost of risk	-336	-35	-6	-40	-39	-120
Operating income	967	234	404	313	283	1,234
Net income from companies accounted for by the equity method	1	1	1	-2	5	5
Net income from other assets	40	35	0	1	-1	35
Impairment losses on goodwill	0	1	0	0	0	1
Income tax	-203	-57	-86	-64	-60	-267
Net income	805	214	319	248	227	1,008
<i>O.w. non controlling interests</i>	191	66	72	63	62	263
Group net income	614	148	247	185	165	745
Average allocated capital	3,771	3,777	3,894	3,764	3,844	3,820

o.w. Russia Retail Banking

Net banking income	604	174	186	184	209	753
Operating expenses	-468	-147	-140	-127	-144	-558
Gross operating income	136	27	46	57	65	195
Net cost of risk	-171	-21	-9	-11	-13	-54
Operating income	-35	6	37	46	52	141
Net income from companies accounted for by the equity method	0	0	0	1	-2	-1
Net income from other assets	18	0	-1	-1	1	-1
Impairment losses on goodwill	0					0
Income tax	3	-1	-7	-10	-10	-28
Net income	-14	5	29	36	41	111
<i>O.w. non controlling interests</i>	0	0	0			0
Group net income	-14	5	29	36	41	111
Average allocated capital	1,119	1,223	1,293	1,161	1,183	1,215

**o.w. Africa, Mediterranean Basin and Overseas France
Retail Banking**

Net banking income	1,410	368	388	379	397	1,532
Operating expenses	-906	-239	-241	-234	-260	-974
Gross operating income	504	129	147	145	137	558
Net cost of risk	-232	-42	-35	-46	-52	-175
Operating income	272	87	112	99	85	383
Net income from companies accounted for by the equity method	18	4	0	13	5	22
Net income from other assets	0	0	-1	0	3	2
Impairment losses on goodwill	0					0
Income tax	-87	-28	-35	-32	-28	-123
Net income	203	63	76	80	65	284
<i>O.w. non controlling interests</i>	75	23	26	24	25	98
Group net income	128	40	50	56	40	186
Average allocated capital	1,585	1,715	1,678	1,708	1,696	1,699

o.w. Insurance

Net banking income	747	198	208	212	214	832
Operating expenses	-274	-90	-73	-73	-72	-308
Gross operating income	473	108	135	139	142	524
Net cost of risk	0					0
Operating income	473	108	135	139	142	524
Net income from companies accounted for by the equity method	0				-1	-1
Net income from other assets	0					0
Impairment losses on goodwill	0					0
Income tax	-161	-37	-45	-48	-48	-178
Net income	312	71	90	91	93	345
<i>O.w. non controlling interests</i>	2	0	1	0	1	2
Group net income	310	71	89	91	92	343
Average allocated capital	1,736	1,759	1,799	1,833	1,843	1,808

o.w. Financial Services to Corporates

Net banking income	1,661	460	445	426	473	1,804
Operating expenses	-848	-230	-223	-222	-250	-925
Gross operating income	813	230	222	204	223	879
Net cost of risk	-58	-13	-9	-14	-15	-51
Operating income	755	217	213	190	208	828
Net income from companies accounted for by the equity method	18	7	5	15	-11	16
Net income from other assets	0	0	0			0
Impairment losses on goodwill	0					0
Income tax	-207	-58	-57	-53	-56	-224
Net income	566	166	161	152	141	620
<i>O.w. non controlling interests</i>	7	2	8	27	29	66
Group net income	559	164	153	125	112	554
Average allocated capital	2,505	2,684	2,688	2,462	2,545	2,595

Global Banking and Investors Solutions

<i>(In millions of euros)</i>	2016	Q1 17	Q2 17	Q3 17	Q4 17	2017
Global Banking and Investor Solutions						
Net banking income	9,590	2,559	2,399	2,022	2,193	9,173
Operating expenses	-7,096	-2,009	-1,751	-1,618	-1,743	-7,121
Gross operating income	2,494	550	648	404	450	2,052
Net cost of risk	-294	-37	-4	4	35	-2
Operating income	2,200	513	644	408	485	2,050
Net income from companies accounted for by the equity method	30	1	0	1	-1	1
Net income from other assets	24	5	-5	0	-4	-4
Impairment losses on goodwill	0					0
Income tax	-399	-127	-124	-78	-100	-429
Net income	1,855	392	515	331	380	1,618
<i>O.w. non controlling interests</i>	19	7	6	6	6	25
Group net income	1,836	385	509	325	374	1,593
Average allocated capital	15,640	15,335	15,096	15,026	14,525	14,996
o.w. Global Markets and Investor Services						
Net banking income	5,935	1,678	1,496	1,160	1,344	5,678
<i>o.w. Equities & Prime Services</i>	2,720	738	725	498	651	2,612
<i>o.w. Fixed Income, Currencies and Commodities (1)</i>	2,555	777	586	496	514	2,373
<i>o.w. Securities Services</i>	660	163	185	166	179	693
Operating expenses	-4,395	-1,311	-1,082	-970	-1,071	-4,434
Gross operating income	1,540	367	414	190	273	1,244
Net cost of risk	-4	-23	-17	-1	7	-34
Operating income	1,536	344	397	189	280	1,210
Net income from companies accounted for by the equity method	4	2	1	0	2	5
Net income from other assets	0					0
Impairment losses on goodwill	0					0
Income tax	-325	-93	-108	-42	-79	-322
Net income	1,215	253	290	147	203	893
<i>O.w. non controlling interests</i>	14	6	6	4	5	21
Group net income	1,201	247	284	143	198	872
Average allocated capital	8,609	8,352	8,339	8,462	8,114	8,317
(1) FICC figures restated to include legacy assets						
o.w. Financial and Advisory						
Net banking income	2,643	629	632	633	601	2,495
Operating expenses	-1,739	-468	-438	-433	-428	-1,767
Gross operating income	904	161	194	200	173	728
Net cost of risk	-273	-12	15	9	18	30
Operating income	631	149	209	209	191	758
Net income from companies accounted for by the equity method	-2	-1	-2	2	-3	-4
Net income from other assets	28	5	-5	0	-4	-4
Impairment losses on goodwill	0					0
Income tax	-66	-28	-5	-34	-17	-84
Net income	591	125	197	177	167	666
<i>O.w. non controlling interests</i>	3	1	-1	1	1	2
Group net income	588	124	198	176	166	664
Average allocated capital	6,004	5,859	5,617	5,457	5,390	5,581

o.w. Asset and Wealth Management

Net banking income	1,012	252	271	229	248	1,000
<i>o.w. Lyxor</i>	161	46	49	45	50	190
<i>o.w. Private Banking</i>	827	200	218	180	191	789
<i>o.w. Other</i>	24	6	4	4	7	21
Operating expenses	-962	-230	-231	-215	-244	-920
Gross operating income	50	22	40	14	4	80
Net cost of risk	-17	-2	-2	-4	10	2
Operating income	33	20	38	10	14	82
Net income from companies accounted for by the equity method	28		1	-1	0	0
Net income from other assets	-4					0
Impairment losses on goodwill	0					0
Income tax	-8	-6	-11	-2	-4	-23
Net income	49	14	28	7	10	59
<i>O.w. non controlling interests</i>	2	0	1	1	0	2
Group net income	47	14	27	6	10	57
Average allocated capital	1,027	1,124	1,140	1,107	1,021	1,098

Corporate Centre

<i>(In millions of euros)</i>	2016	Q1 17	Q2 17	Q3 17	Q4 17	2017
Corporate Centre						
Net banking income	-4	-48	-1,194	73	22	-1,147
Operating expenses	-141	-38	-58	7	-285	-374
Gross operating income	-145	-86	-1,252	80	-263	-1,521
Net cost of risk	-321	-350	451	-300	-201	-400
Operating income	-466	-436	-801	-220	-464	-1,921
Net income from companies accounted for by the equity method	12	8	3	1	5	17
Net income from other assets	-283	-3	210	72	-42	237
Impairment losses on goodwill	0	0	0			0
Income tax	-169	78	236	-17	-245	52
Net income	-906	-353	-352	-164	-746	-1,615
<i>O.w. non controlling interests</i>	170	44	37	42	47	170
Group net income	-1,076	-397	-389	-206	-793	-1,785


Societe Generale

Societe Generale is one of the leading European financial services groups. Based on a diversified and integrated banking model, the Group combines financial strength and proven expertise in innovation with a strategy of sustainable growth, aiming to be the trusted partner for its clients, committed to the positive transformations of society and the economy.

Active in the real economy for over 150 years, with a solid position in Europe and connected to the rest of the world, Societe Generale has over 147,000 members of staff in 67 countries and supports on a daily basis 31 million individual clients, businesses and institutional investors around the world by offering a wide range of advisory services and tailored financial solutions. The Group is built on three complementary core businesses:

- **French Retail Banking**, which encompasses the Societe Generale, Crédit du Nord and Boursorama brands. Each offers a full range of financial services with omnichannel products at the cutting edge of digital innovation;
- **International Retail Banking, Insurance and Financial Services to Corporates**, with networks in Africa, Russia, Central and Eastern Europe and specialised businesses that are leaders in their markets;
- **Global Banking and Investor Solutions**, which offers recognised expertise, key international locations and integrated solutions.

Societe Generale is included in the principal socially responsible investment indices: DJSI (World and Europe), FTSE4Good (Global and Europe), Euronext Vigeo (World, Europe and Eurozone), four of the STOXX ESG Leaders indices, and the MSCI Low Carbon Leaders Index.

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