SOCIETE GENERALE

# Press release

May 10th, 2007

## First quarter 2007: solid performances against a high first quarter 2006

- **Continued organic revenue growth: +5.0%* vs. Q1 06**
- **Low cost/income ratio: 61.2%**
- **Still low cost of risk: 26 bp**
- **Group net income: EUR 1,431 million (-1.9% vs. Q1 06)**
  - **Net income of core businesses: +7.2% vs. Q1 06**
- **Group ROE after tax: 24.4%**
- **Tier One ratio at 31/03/2007: 7.5%**

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

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At its meeting of May 9th, 2007, the Board of Directors of Société Générale approved the results for the first quarter of 2007. The core businesses improved their performances against a very high comparative base and the Group pursued its steady expansion.

## 1. GROUP CONSOLIDATED RESULTS

| *In EUR million* | Q1 07 | Q1 06 | Change |
|---|---|---|---|
| **Net banking income** | **6,046** | **5,771** | **+4.8%** |
| ***On a like-for-like basis**** | | | ***+5.0%*** |
| **Operating expenses** | **-3,698** | **-3,412** | **+8.4%** |
| ***On a like-for-like basis**** | | | ***+8.8%*** |
| **Gross operating income** | **2,348** | **2,359** | **-0.5%** |
| ***On a like-for-like basis**** | | | ***-0.5%*** |
| **Operating income** | **2,156** | **2,197** | **-1.9%** |
| ***On a like-for-like basis**** | | | ***-1.4%*** |
| **Net income** | **1,431** | **1,459** | **-1.9%** |

| | Q1 07 | Q1 06 |
|---|---|---|
| **Group ROE after tax** | **24.4%** | **31.5%** |
| **Business line ROE after tax** | **32.7%** | **34.9%** |

In the first quarter of 2007, the economic environment remained generally favourable, albeit more uncertain in the United States, particularly in the real estate sector. The outlook appears to be more promising in the euro zone, where economic activity is driven by investments and exports, particularly to emerging countries where the dynamic growth has shown no sign of abating.
Different expectations on both sides of the Atlantic have served to heighten the decoupling of monetary policies (in the United States, the Central Bank has abandoned its upward bias whereas in Europe, the Central Bank has raised its refinancing rate). This helped shore up the euro against the dollar during the quarter. The yield curve remains inverted in the United States and continues to flatten in Europe where the slope remains nevertheless slightly positive.
Events in the US real estate markets (defaults by some players in the subprime sector) led to a correction in the equities markets at the end of February. However, the correction was limited and indices ended the quarter at a level similar to that at end-2006. The commodities markets remained generally stable, albeit with a resumption in the uptrend towards the end of the quarter.

For Société Générale, Q1 06 constitutes a particularly high comparative base given the very strong performance of both Corporate and Investment Banking and the French Networks for that period. In particular, the French Networks enjoyed an exceptionally high level of new inflows in life insurance last year following changes in the taxation of PEL savings accounts. The Group renewed its strong performance in Q1 07, with generally stable results compared with Q1 06. Gross operating income came out at EUR 2,348 million (stable vs. Q1 06, -0.5%). Net income amounted to EUR 1,431 million, slightly down (-1.9%) linked to the Corporate Centre's lower contribution (EUR –20 million in Q1 07; EUR +106 million in Q1 06). The net income of the core businesses amounted to EUR 1,451 million, up +7.2% on Q1 06.

## Net banking income

First quarter net banking income was up +5.0%* on a very high Q1 06 comparative base (+4.8% in absolute terms), at EUR 6,046 million. It was driven by revenue growth in all core businesses: the French Networks achieved higher revenues against the backdrop of stiffer competition; Corporate and Investment Banking posted very high revenues, up on Q1 06, while the growth drivers (Retail Banking outside France, Financial Services, Global Investment Management and Services) all experienced sustained growth.

## Operating expenses

The increase in operating expenses (+8.8%* on Q1 06, +8.4% in absolute terms), reflects the Group's continued investment in all core businesses.

The Group's cost to income ratio remained at a low level (61.2% in Q1 07 vs. 59.1% in Q1 06).

## Operating income

First quarter gross operating income amounted to EUR 2,348 million (-0.5%* vs. Q1 06). Gross operating income for the core businesses totalled EUR 2,326 million, up +4.5% on Q1 06.

The Group's cost of risk was once again low (26 bp of risk-weighted assets), due to both a continued favourable credit environment and factors specific to the Group: a policy of diversification of the businesses portfolio, improved risk management techniques and hedging of high-risk exposure. Corporate and Investment Banking recorded a new net provision reversal of EUR 29 million in Q1 07. Few new loans required provisioning and the flow of reversals continued on conclusively repaid debts.

The Group's operating income for Q1 07 totalled EUR 2,156 million (-1.4%* vs. Q1 06, -1.9% in absolute terms). Excluding the Corporate Centre, operating income was EUR 2,134 million (+3.8%* vs. Q1 06, +3.2% in absolute terms).

## Net income

Net income after tax and minority interests (Group effective tax rate: 28.1%) amounted to EUR 1,431 million (-1.7%* vs. Q1 06, -1.9% in absolute terms). Group ROE after tax stood at 24.4% in Q1 07, (31.5% in Q1 06).

Earnings per share of EUR 3.26 in Q1 07 were down -7.9% on Q1 06. The decline was mainly due to the increase in the average number of shares in circulation following the capital increase in October 2006.

## 2. CAPITAL BASE

At March 31st, 2007, Group shareholders' equity amounted to EUR 30.3 billion[1]. Book value per share stood at EUR 66.3, including EUR 5.0 per share of unrealised capital gains. Risk-weighted assets rose by +13.2%* year-on-year (+14.0% in absolute terms), reflecting the Group's strong organic growth.
The Group bought back a substantial number of shares (5.5 million) in Q1 07. At end-March, it held 27.7 million treasury shares (i.e. 6.0% of its capital), excluding those held for trading purposes.

This resulted in a Tier One ratio of 7.5% at March 31st, 2007.

The Group is rated AA by S&P and Fitch, and Aa2 by Moody's. Société Générale is one of the best-rated banking groups.

[1] This figure includes (i) EUR 1.0 billion from the issue of deeply subordinated notes in January 2005, EUR 0.9 billion of undated subordinated notes and (ii) EUR 2.2 billion of unrealised capital gains.

## 3. RETAIL BANKING AND FINANCIAL SERVICES

**French Networks**

| *In EUR million* | Q1 07 | Q1 06 | Change |
|---|---|---|---|
| **Net banking income** | **1,701** | **1,668** | **+2.0%** [(a)] |
| **Operating expenses** | **-1,122** | **-1,108** | **+1.3%** |
| **Gross operating income** | **579** | **560** | **+3.4%** |
| **Net allocation to provisions** | **-78** | **-61** | **+27.9%** |
| **Operating income** | **501** | **499** | **+0.4%** |
| **Net income** | **319** | **316** | **+0.9%** |

| | Q1 07 | Q1 06 |
|---|---|---|
| **ROE after tax** | **21.6%** | **23.0%** |

**(a) +2.3% excluding impact of changes in PEL/CEL provisions**

The retail banking environment in France remained relatively favourable in the first quarter of 2007. However, two factors are worth highlighting:

- The continued soft landing of the housing loan market
- The continued outflow of funds, albeit at a slower rate than in Q1 06, from PEL savings accounts, as their remuneration has become less attractive as a result of changes in taxation.

Against this backdrop, the French Networks continued to put in a robust performance in Q1 07.

The number of sight accounts for **individual customers** rose +2.9% year-on-year (a net balance of +39,000 in Q1 07 vs. +38,300 in Q1 06). Outstanding sight deposits were up +3.3% on Q1 06 and the rise in short-term rates encouraged the inflow of funds into passbook accounts (+7.4%). The new Sustainable Development account (formerly Codevi), which benefited from an increase in its ceiling, saw its outstandings rise by +11.3%. However, PEL savings account outstandings experienced a further decline (-13.5% vs. Q1 06). New inflows in life insurance (EUR 2.9 billion), down on Q1 06 (EUR 3.3 billion) were still much higher than average quarterly inflows in 2005 and 2006 (EUR 2.0 billion and EUR 2.5 billion respectively). The proportion of new inflows invested in unit-linked policies rose to 35% (31% in Q1 06) compared with 27% for the market. Finally, new mortgage lending was down -4.9% on Q1 06, which represented another high comparative base for this activity.

Outstanding sight deposits for **business customers** were up +12.4% on Q1 06 reflecting a healthy cash situation. Outstanding investment loans rose by +17.1%, whereas operating loans remained stable. The joint venture business implemented in association with SG CIB for interest rate and foreign exchange hedging, equity capital operations for SMEs and financing for local authorities expanded substantially in Q1 07, with revenue growth for the Société Générale network up +43.5% on Q1 06.

**From a financial perspective**, the consolidated net banking income of the two networks[1] (Société Générale and Crédit du Nord) rose to EUR 1,701 million in the first quarter (+2.0% on Q1 06). If NBI is adjusted for changes in PEL/CEL provisions to give a more accurate reflection of underlying performance (EUR 26 million reversal in Q1 07 vs. a EUR 30 million reversal in Q1 06), revenue growth comes out at +2.3% vs. Q1 06.

Excluding the effect of the PEL/CEL provision, interest income was down -1.8% on Q1 06:

- In terms of loans, the decline in margins, especially in the individual customer segment, offset the impact of growth in outstanding credit (+12.6% between Q1 06 and Q1 07).
- In terms of deposits, the effect of the rise in regulated savings rates in August 2006 neutralised the volume effect and the positive impact of the gradual rise in long-term interest rates over the last 18 months.

Commission income was up +7.3% overall on Q1 06. Financial commissions increased by a moderate +1.4% due to the high comparative base arising from substantial new life insurance inflows in Q1 06. Service commissions were up more sharply (+9.8%), due in particular to the strong growth in areas such as payment methods for business customers or services provided by the joint ventures with SG CIB.

The increase in operating expenses was limited (+1.3% vs. Q1 06) and lower than the increase in revenues.

As a result, the cost to income ratio fell from 67.6% in Q1 06 to 67.0% in Q1 07 (excluding the effect of the PEL/CEL provision).

The net cost of risk was 29 basis points of risk-weighted assets (vs. 26 basis points in Q1 06). This level, which remains low, reflects the quality of the customer base in a favourable credit environment.

First quarter net income for the French Networks totalled EUR 319 million, up +0.9% on Q1 06. ROE after tax amounted to 21.6% (20.6% excluding the effect of the PEL/CEL provision) vs. 23.0% in Q1 06 (21.6% excluding the effect of the PEL/CEL provision).

[1] The revenue of the Société Générale Network does not include that of the Private Banking business in France, which is booked under the Global Investment Management & Services division.

**Retail Banking outside France**

| *In EUR million* | Q1 07 | Q1 06 | Change |
|---|---|---|---|
| **Net banking income** | **763** | **641** | **+19.0%** |
| ***On a like-for-like basis*** | | | ***+10.3%*** |
| **Operating expenses** | **-465** | **-378** | **+23.0%** |
| ***On a like-for-like basis*** | | | ***+12.9%*** |
| **Gross operating income** | **298** | **263** | **+13.3%** |
| ***On a like-for-like basis*** | | | ***+6.4%*** |
| **Net allocation to provisions** | **-58** | **-48** | **+20.8%** |
| **Operating income** | **240** | **215** | **+11.6%** |
| ***On a like-for-like basis*** | | | ***+3.3%*** |
| **Net income** | **144** | **111** | **+29.7%** |

| | Q1 07 | Q1 06 |
|---|---|---|
| **ROE after tax** | **33.9%** | **40.3%** |

This division's contribution to the Group's operating income now represents nearly half the contribution of the French Networks. Retail Banking outside France once again put in a strong sales performance in Q1 07: the number of individual customers was up by nearly 730,000 since end-March 2006 (at constant structure), or +12.1% year-on-year. The year-on-year increase in outstanding deposits and loans was +17.1%* and +41.5%* respectively for individual customers, and +15.4%* and +20.2%* for business customers.

In countries where the growth in banking activity looks set to continue at a steady pace, the division continued to actively pursue its policy of opening branches: it opened 418 branches (net balance) over one year and on a like-for-like basis, primarily in Romania (+268), but also in Russia (22), Morocco (17), Algeria (16) and Egypt (15). At the same time, the headcount rose by 3,000 (at constant structure), to cope with the expansion of the network. At end-March 2007, the division had a total of nearly 36,200 staff[1] and a network of 2,436 branches.

At the same time, the Group embarked on a number of targeted acquisitions aimed at enhancing its platform in Central and Eastern Europe: it took a majority stake in banks in Macedonia and Albania. Finally, the Group made a small investment in Mauritania.

The division's contribution to Group results is rising steadily: Q1 07 revenues were up +10.3%* on Q1 06[2] (+19.0% in absolute terms). This performance was achieved in the context of a more difficult environment in some Central and Eastern European countries, with existing credit restriction measures adversely affecting volume growth and margins.

Operating expenses rose by +12.9%* (+23.0% in absolute terms), reflecting the investment by the networks: excluding these costs, the increase would have been limited to +6.9%*.

[1] Excluding Rosbank (Russia).

[2] Changes in Group structure: consolidation of SGBB (Burkina Faso) and Bank Republic (Georgia) in Q1 07. Consolidation of 100% of Modra Pyramida (Czech Republic) since Q4 06. Consolidation of Splitska Banka (Croatia) in Q3 06.

As a result, first quarter gross operating income rose +6.4%* (+13.3% in absolute terms) to EUR 298 million[1]. The cost to income ratio stood at 60.9% (vs. 59.0% in Q1 06).

At EUR 58 million in Q1 07, the cost of risk remains moderate compared with risk-weighted assets, (54 basis points).

The division's net income was up +6.4%* (+29.7% in absolute terms) on Q1 06 at EUR 144 million.

ROE after tax came to 33.9% in Q1 07 (40.3% in Q1 06).

The division continued to implement cooperation agreements with Rosbank. This bank's results have been accounted for by the equity method since Q4 06 and therefore are not included in the division's operating income.

[1] The application of IFRS for Splitska Banka's entry into the consolidation scope (revaluation of the credit portfolio and recognition of an intangible asset) had a positive impact of EUR +4 million on Q1 07 GOI (EUR +11 million on NBI and EUR +7 million on operating expenses).

## Financial Services

| *In EUR million* | Q1 07 | Q1 06 | Change |
|---|---|---|---|
| **Net banking income** | **680** | **592** | **+14.9%** |
| ***On a like-for-like basis*** | | | ***+13.1%*** |
| **Operating expenses** | **-367** | **-326** | **+12.6%** |
| ***On a like-for-like basis*** | | | ***+10.8%*** |
| **Gross operating income** | **313** | **266** | **+17.7%** |
| ***On a like-for-like basis*** | | | ***+15.8%*** |
| **Net allocation to provisions** | **-84** | **-66** | **+27.3%** |
| **Operating income** | **229** | **200** | **+14.5%** |
| ***On a like-for-like basis*** | | | ***+16.0%*** |
| **Net income** | **146** | **128** | **+14.1%** |

| | Q1 07 | Q1 06 |
|---|---|---|
| **ROE after tax** | **16.1%** | **16.3%** |

**The Financial Services division comprises two main businesses: Specialised Financing and Life Insurance.**

For several years, **Specialised Financing**[1] has been pursuing a strategy of organic growth and targeted acquisitions in countries with strong growth potential. It comprises four businesses: consumer credit, vendor and equipment finance, operational vehicle leasing and fleet management and IT asset leasing and management.

In Q1 07, 74% of NBI was generated abroad (vs. 72% in Q1 06), with 55% of total revenues derived from consumer credit and 45% from business customer services and financing.

In **consumer credit**, new lending was up +15.1%* on Q1 06. There was a continuing shift in the business portfolio, with faster development in countries with strong growth potential and higher new lending margins (NBI generated outside France, Italy and Germany therefore accounted for 31% of total NBI compared with only 14% of outstandings). Consumer credit growth was moderate in mature countries (new lending in France, Italy and Germany was up +3.5%*, while outstandings rose +12.1%*). New lending in countries with high potential produced much higher levels of growth (new lending +96.9%*, outstandings +86.5%*).

The significant increase in consumer credit revenues (+15.8%* vs. Q1 06) reflects the strong performance in all countries.

The external growth strategy led to a second acquisition in consumer credit during the quarter in Brazil, where the division now employs 2,200 people, giving it a solid platform for development.

**SG Equipment Finance**, the European leader in vendor and equipment finance saw new lending increase by +2.8%* (excluding factoring), even though growth in new lending was already

[1] Excluding insurance and banking services.

exceptionally strong in Q1 06 (+18.6% at constant structure). Business was affected by longer delivery times in the industrial equipment sector in Germany which has to contend with very sustained demand.

In operational vehicle leasing and fleet management, **ALD Automotive** continued to rapidly expand its fleet under management which rose to 687,000 vehicles at end-March 2007 (+12.0% on Q1 06 at constant structure). ALD Automotive continues to rank second in Europe in terms of fleet under management.

Total revenues in **Specialised Financing** rose by +11.5%* compared with Q1 06 (+13.8% in absolute terms). Operating expenses increased at a similar rate (+11.3%* and +13.4% in absolute terms), reflecting the continued investment in these activities' sales platforms. Gross operating income was up +11.9%* on Q1 06 (+14.4% in absolute terms).

The net cost of risk increased to 88 basis points (vs. 76 bp in Q1 06). This was due to the integration of new activities (EUR +8 million) and the growing share of consumer credit activities in the global portfolio, particularly in emerging countries.

After exceptionally high new inflows in 2006 due to fund transfers following changes in the taxation of PEL savings accounts, gross new inflows for **Life Insurance** were down -14.6%, with 34% of investments in unit-linked policies. Overall, first quarter revenues were up +19.8%* on Q1 06, driven by the increase in mathematical reserves.

Overall, **the Financial Services division** generated first quarter operating income up +16.0%* (+14.5% in absolute terms) at EUR 229 million. Net income totalled EUR 146 million, up +17.2%* (+14.1% in absolute terms) on Q1 06. ROE after tax came to 16.1%, vs.16.3% in Q1 06.

## 4. GLOBAL INVESTMENT MANAGEMENT AND SERVICES

| *In EUR million* | Q1 07 | Q1 06 | Change |
|---|---|---|---|
| **Net banking income** | **919** | **769** | **+19.5%** |
| ***On a like-for-like basis*** | | | ***+13.8%*** |
| **Operating expenses** | **-649** | **-523** | **+24.1%** |
| ***On a like-for-like basis*** | | | ***+16.7%*** |
| **Operating income** | **269** | **243** | **+10.7%** |
| ***On a like-for-like basis*** | | | ***+8.4%*** |
| **Net income** | **176** | **155** | **+13.5%** |
| ***o.w. Asset Management*** | 82 | 85 | ***-3.5%*** |
| ***Private Banking*** | 53 | 43 | ***+23.3%*** |
| ***SG SS & Online Savings*** | 41 | 27 | ***+51.9%*** |

| In EUR billion | Q1 07 | Q1 06 |
|---|---|---|
| **Net new money over period** | **18.9** | **14.8** |
| **Assets under management** (at end of period) | **441** | **402** |

**Global Investment Management and Services comprises asset management (Société Générale Asset Management), private banking (SG Private Banking), Société Générale Securities Services (SGSS) and online savings (Boursorama).**

All the divisions put in a strong sales performance. Société Générale Asset Management (SGAM) and SG Private Banking enjoyed a very high level of net inflows (a total of EUR 18.9 billion in Q1 07 vs. EUR 14.8 billion in Q1 06). Assets under management amounted to EUR 441.4 billion[1] at end-March 2007. Assets under custody for institutional clients totalled EUR 2,448 billion at end-March 2007 (of which EUR 660 billion at 2S Banca), up 17.6%* year-on-year. Fimat increased its global market share in the main markets where it is a member, from 5.7% in Q1 06 to 7.7% in Q1 07 (12-month moving average), due not only to the integration of Cube Financial in 2006 but also the strong growth of its activities and its client portfolio.

The division's financial performance was generally satisfactory in Q1 07: compared with Q1 06, net banking income was up +13.8%* (+19.5% in absolute terms) at EUR 919 million, operating income rose +8.4%* (+10.7% in absolute terms) and net income totalled EUR 176 million, up +11.2%* (+13.5% in absolute terms).

**Asset management**

SGAM is present in all the main international financial markets with a comprehensive, innovative offering.

[1] This figure does not include assets held by customers of the French Networks (approximately EUR 115 billion with investable assets exceeding EUR 150,000) or assets managed by Lyxor Asset Management, whose results are consolidated in the Equity business (EUR 65 billion at March 31st, 2007).

SGAM saw strong net inflows in the first quarter of 2007 (EUR 16.9 billion vs. EUR 12.4 billion in Q1 06, or 19% of assets under management on an annualised basis). This performance was due mainly to the high level of inflows for money market and fixed income products, primarily CDOs, that are products whose margin is below the average for the range. SGAM managed a total of EUR 371.2 billion of assets at end-March 2007 vs. EUR 338.8 billion one year earlier.

Net banking for the quarter rose +5.9%* (+2.1% in absolute terms) compared with a particularly high comparative base in Q1 06. With fixed income and money market products accounting for a high proportion of inflows, the margin declined to 37 basis points in Q1 07 (compared with 38 basis points for 2006).

The increase in operating expenses (+14.6%*, +9.8% in absolute terms vs. Q1 06) is due to the increase in the headcount, continued commercial investment and the increase in performance-linked pay, especially in alternative management.

Gross operating income and net income were slightly lower than in Q1 06, down -5.9%* (-8.6% in absolute terms) and -1.2%* (-3.5% in absolute terms) respectively.

## Private Banking

SG Private Banking continued with its fast pace of organic growth. Strong net inflows totalled EUR 2.0 billion in Q1 07 (or 12% of assets under management on an annualised basis). All geographical regions contributed to this good performance. Assets under management totalled EUR 70.2 billion at end-March 2007, vs. EUR 63.0 billion one year earlier.

Net banking income was up +17.9%* (+16.5% in absolute terms) on Q1 06. The very high gross margin of 111 basis points in the first quarter was significantly up on the margin rate for 2006 (103 basis points). This was due primarily to the increased share of commissions on the sale of structured and alternative management products in total revenues.

Operating expenses were up +16.8%* (+15.7% in absolute terms) on Q1 06, mainly related to recruitment and continued commercial and infrastructure investment in Europe and Asia.

Operating income rose +23.7%* (+21.7% in absolute terms) and net income was up +26.2%* (+23.3% in absolute terms) on Q1 06.

## Société Générale Securities Services (SGSS) and online savings (Boursorama)

In a generally favourable environment for capital markets, SGSS experienced strong growth in sales volumes.

**FIMAT** confirmed its excellent positioning and strengthened its share of the global market[1] to 7.7% (12-month moving average).

The **Global Custodian subdivision** saw assets under custody increase by +17.6% at constant structure (+60.9% in absolute terms) year-on-year, to EUR 2,448 billion at end-March 2007.

**Boursorama** reinforced its position as a major player in online savings and brokerage in Europe. Online savings rose by +18.3%* year-on-year to EUR 4.3 billion at end-March 2007. The number of orders executed was stable (at constant structure) compared with the same period in 2006, when brokerage activity reached a record level.

[1] On the major markets of which FIMAT is a member.

First quarter net banking income for SGSS and Boursorama was up +20.4%* (+42.6% in absolute terms) on Q1 06.

Operating expenses were 18.2%* higher than in Q1 06 (+39.9% in absolute terms), due to recruitment, continued investment and the increase in performance-linked pay as a result of the growth of the business.

Operating income rose +32.6%* (+58.1% in absolute terms) and net income was up +25.9%* on Q1 06 (+51.9% in absolute terms).

## 5. CORPORATE AND INVESTMENT BANKING

| *In EUR million*[**] | Q1 07 | Q1 06 | Change |
|---|---|---|---|
| **Net banking income** | **1,947** | **1,879** | **+3.6%** |
| ***On a like-for-like basis*** | | | ***+5.5%*** |
| ***Financing and Advisory*** | **354** | **308** | **+14.9%** |
| ***Fixed Income, Currencies and Commodities*** | **525** | **543** | **-3.3%** |
| ***Equities*** | **1,068** | **1,028** | **+3.9%** |
| **Operating expenses** | **-1,081** | **-997** | **+8.4%** |
| ***On a like-for-like basis*** | | | ***+10.2%*** |
| **Gross operating income** | **866** | **882** | **-1.8%** |
| ***On a like-for-like basis*** | | | ***+0.2%*** |
| **Net allocation to provisions** | **29** | **19** | **+52.6%** |
| **Operating income** | **895** | **901** | **-0.7%** |
| ***On a like-for-like basis*** | | | ***+1.8%*** |
| **Net income** | **666** | **637** | **+4.6%** |

| | Q1 07 | Q1 06 |
|---|---|---|
| **ROE after tax** | **50.2%** | **53.8%** |

**** Excluding Cowen**

For the first time this quarter, SG CIB's results are presented on the basis of the division's new organisation, which was implemented at the beginning of Q1 07. Société Générale now publishes a single income statement for SG CIB, with a breakdown of revenues for the three divisions, "Equities", "Fixed Income, Currencies and Commodities" and "Financing & Advisory". Historical comparable data have been adjusted and, moreover, are now presented excluding Cowen.

The market environment remained favourable in Q1 07, with generally sustained activity in corporate and investment banking's different market segments, notably equity and bond markets which enjoyed higher volumes and abundant liquidity. The crisis in the debt and equity market segments at end-February was due primarily to the deterioration in credit quality of certain players in the US real estate market operating in the subprime segment (SG CIB has very little exposure to this segment). It fuelled a temporary increase in market volatility, which nevertheless returned to historically low levels at the end of the quarter.

Net banking income for **Corporate and Investment Banking** totalled EUR 1,947 million, up +5.5%* (+3.6%[**] in absolute terms) on a high comparative base (record results recorded by SG CIB in Q1 06).

The **Equities** division enjoyed another very good quarter, with NBI of EUR 1,068 million, up +5.4%* (+3.9% in absolute terms) on a Q1 06 that represented a particularly high comparative base. All the activities contributed to this excellent performance, highlighting an even greater diversification of revenues than in Q1 06. Sales volumes were very sustained in both structured products (particularly

[**] Excluding Cowen. Cowen's Q1 06 NBI amounted to EUR 78 million.

for institutional customers) and flow products. SG CIB confirmed its leadership position in equity derivatives, notably in warrants where the Bank remains the world No. 1 with a market share of 18.4%[1].

**Financing & Advisory** revenues totalled EUR 354 million, up +16.8%* (+14.9% in absolute terms) on Q1 06. This includes EUR -8 million of mark-to-market on credit portfolio hedging (vs. EUR -52 million in Q1 06).

SG CIB confirmed its leadership position in the euro debt markets in the first quarter. It was ranked 4th for euro bond issues and 3rd for euro corporate bond issues. The structured finance activities achieved solid performances, particularly in acquisition and commodities financing.

The revenues of the **Fixed Income, Currencies and Commodities** arm were stable in Q1 07 at EUR 525 million (-0.8%* on Q1 06, -3.3% in absolute terms). The excellent contribution to revenues from credit structured products and flow products was underpinned by strong growth in Europe and Asia. The disappointing performance of commodity derivatives in the US energy trading business was partially offset by the strong results in metals activities. SG CIB continued to reinforce its position with customers across all the businesses of this arm, with several No. 1 rankings, particularly in "Credit research Investment grade" (Euromoney, Fixed income research poll, May 2007) and commodity and energy structured products (Commodities, February 2007).

Corporate and Investment Banking's operating expenses were up +10.2%* (+8.4% in absolute terms) on Q1 06. It continued to adopt a targeted investment policy to sustain future growth, resulting in a slightly higher increase in operating expenses than revenues. The cost to income ratio remained at a very low level, albeit slightly higher than in Q1 06 (55.5% vs. 53.1%).

The average VaR in Q1 07 stood at EUR 36.4 million vs. EUR 20.3 million in Q1 06 and EUR 25.1 million in Q4 06. The increase is due mainly to a mechanical effect due to changes in the method used to calculate the VaR for equities since January 1st, 2007[2].

The credit risk environment remained favourable, enabling Corporate and Investment Banking to book a net provision reversal of EUR 29 million in the first quarter (EUR 19 million reversal in Q1 06).

The Corporate and Investment Banking division made a substantial contribution to net income of EUR 666 million, up +7.4%* (+4.6% in absolute terms) on Q1 06.

The division once again posted a very high level of profitability, with ROE after tax of 50.2% in Q1 07 (vs. 53.8% in Q1 06).

[1] As at end-March 2007.
[2] In the historical simulation, variations observed in the volatility of each share are taken into account, replacing variations in index volatility.

## 6. CORPORATE CENTRE

The Corporate Centre recorded negative net income of EUR -20 million vs. EUR +106 million in Q1 06. The decline was due primarily to two factors:

- The decline in equity portfolio income, which amounted to EUR +99 million vs. EUR +132 million in Q1 06. At March 31st, 2007, the IFRS net book value of the industrial portfolio, excluding unrealised capital gains, stood at EUR 1.0 billion, representing market value of EUR 1.8 billion.
- The negative impact of the change in the mark-to-market on interest rate swaps used to hedge subsidiaries' equity instruments.

## 7. CONCLUSION

The first quarter of 2007 saw profitability remaining at a very high level despite substantial commercial investment. In accordance with the Group's strategy, the good performances at the growth drivers (which represented around one third of Group net income) and SG CIB helped offset the forecast slowdown in growth at the French Networks. Revenues in this division are nevertheless likely to increase in 2007, at a slightly faster rate than the growth in nominal French GDP, with the moderate increase in the division's costs expected to result in a further decline in the cost to income ratio.

Overall, after a year of very strong growth in results in 2006, we expect 2007 to remain in line with the financial objectives announced at the time of the capital increase in October 2006.

***2007 financial communication calendar and events***

| | |
|---|---|
| **May 14th, 2007** | **Annual General Meeting** |
| **May 21st, 2007** | **Dividend payment** |
| **August 2nd, 2007** | **Publication of second quarter 2007 results** |
| **November 7th, 2007** | **Publication of third quarter 2007 results** |

## SUPPLEMENT

| CONSOLIDATED INCOME STATEMENT (in millions of euros) | First quarter 2007 | 2006 | Change Q1/Q1 | |
|---|---|---|---|---|
| Net banking income | 6,046 | 5,771 | +4.8% | +5.0%(*) |
| Operating expenses | (3,698) | (3,412) | +8.4% | +8.8%(*) |
| **Gross operating income** | **2,348** | **2,359** | **-0.5%** | **-0.5%(*)** |
| Net allocation to provisions | (192) | (162) | +18.5% | +10.8%(*) |
| **Operating income** | **2,156** | **2,197** | **-1.9%** | **-1.4%(*)** |
| Net income from other assets | 24 | 34 | -29.4% | |
| Net income from companies accounted for by the equity method | 11 | 10 | +10.0% | |
| Impairment losses on goodwill | 0 | 0 | NM | |
| Income tax | (613) | (637) | -3.8% | |
| **Net income before minority interests** | **1,578** | **1,604** | **-1.6%** | |
| o.w. minority interests | 147 | 145 | +1.4% | |
| **Net income** | **1,431** | **1,459** | **-1.9%** | |
| Annualised Group ROE after tax (%) | 24.4% | 31.5% | | |
| Tier-one ratio at end of period | 7.5% | 7.7% | | |

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

| NET INCOME AFTER TAX BY CORE BUSINESS (in millions of euros) | First quarter 2007 | 2006 | Change Q1/Q1 |
|---|---|---|---|
| **Retail Banking & Financial Services** | **609** | **555** | **+9.7%** |
| o.w. French Networks | 319 | 316 | +0.9% |
| o.w. Retail Banking outside France | 144 | 111 | +29.7% |
| o.w. Financial Services | 146 | 128 | +14.1% |
| **Global Investment Management & Services** | **176** | **155** | **+13.5%** |
| o.w. Asset Management | 82 | 85 | -3.5% |
| o.w. Private Banking | 53 | 43 | +23.3% |
| o.w. SG SS + Online Savings | 41 | 27 | +51.9% |
| **Corporate & Investment Banking** | **666** | **643** | **+3.6%** |
| Corporate and Investment Banking (excluding Cowen) | 666 | 637 | +4.6% |
| **CORE BUSINESSES** | **1,451** | **1,353** | **+7.2%** |
| **Corporate Centre** | **(20)** | **106** | **NM** |
| **GROUP** | **1,431** | **1,459** | **-1.9%** |

# QUARTERLY RESULTS BY CORE BUSINESS

| | 2005 - IFRS (incl. IAS 32 & 39 and IFRS 4) | | | | 2006 - IFRS (incl. IAS 32 & 39 and IFRS 4) | | | | 2007 - IFRS (inc. IAS 32 & 39 and IFRS 4) | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| *(in millions of euros)* | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| **Retail Banking & Financial Services** | | | | | | | | | | | | |
| Net banking income | 2,545 | 2,579 | 2,633 | 2,904 | 2,901 | 2,991 | 2,966 | 3,165 | 3,144 | | | |
| Operating expenses | -1,670 | -1,685 | -1,671 | -1,807 | -1,812 | -1,806 | -1,820 | -1,946 | -1,954 | | | |
| *Gross operating income* | *875* | *894* | *962* | *1,097* | *1,089* | *1,185* | *1,146* | *1,219* | *1,190* | | | |
| Net allocation to provisions | -134 | -143 | -150 | -187 | -175 | -184 | -162 | -242 | -220 | | | |
| *Operating income* | *741* | *751* | *812* | *910* | *914* | *1,001* | *984* | *977* | *970* | | | |
| Net income from other assets | 8 | -1 | 0 | 0 | 9 | 1 | 2 | -1 | 23 | | | |
| Net income from companies accounted for by the equity method | 1 | 2 | 1 | -7 | 3 | 1 | 0 | -5 | 6 | | | |
| Income tax | -248 | -250 | -268 | -304 | -298 | -325 | -318 | -311 | -313 | | | |
| *Net income before minority interests* | *502* | *502* | *545* | *599* | *628* | *678* | *668* | *660* | *686* | | | |
| o.w. minority interests | 61 | 63 | 63 | 63 | 73 | 75 | 72 | 78 | 77 | | | |
| *Net income* | *441* | *439* | *482* | *536* | *555* | *603* | *596* | *582* | *609* | | | |
| Average allocated capital | 8,376 | 8,688 | 8,972 | 9,358 | 9,744 | 10,130 | 10,458 | 10,865 | 11,226 | | | |
| ROE after tax | 21.1% | 20.2% | 21.5% | 22.9% | 22.8% | 23.8% | 22.8% | 21.4% | 21.7% | | | |
| ***o.w. French Networks*** | | | | | | | | | | | | |
| Net banking income | 1,520 | 1,486 | 1,532 | 1,651 | 1,668 | 1,695 | 1,644 | 1,694 | 1,701 | | | |
| Operating expenses | -1,065 | -1,055 | -1,035 | -1,057 | -1,108 | -1,071 | -1,062 | -1,113 | -1,122 | | | |
| *Gross operating income* | *455* | *431* | *497* | *594* | *560* | *624* | *582* | *581* | *579* | | | |
| Net allocation to provisions | -68 | -67 | -64 | -83 | -61 | -71 | -55 | -87 | -78 | | | |
| *Operating income* | *387* | *364* | *433* | *511* | *499* | *553* | *527* | *494* | *501* | | | |
| Net income from other assets | 0 | 1 | 0 | 1 | 0 | 2 | 1 | 2 | 3 | | | |
| Net income from companies accounted for by the equity method | 0 | 1 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | | | |
| Income tax | -135 | -129 | -151 | -179 | -170 | -188 | -181 | -168 | -172 | | | |
| *Net income before minority interests* | *252* | *237* | *282* | *333* | *329* | *368* | *347* | *329* | *332* | | | |
| o.w. minority interests | 12 | 11 | 11 | 11 | 13 | 14 | 12 | 13 | 13 | | | |
| *Net income* | *240* | *226* | *271* | *322* | *316* | *354* | *335* | *316* | *319* | | | |
| Average allocated capital | 4,854 | 5,013 | 5,147 | 5,321 | 5,493 | 5,646 | 5,699 | 5,744 | 5,896 | | | |
| ROE after tax | 19.8% | 18.0% | 21.1% | 24.2% | 23.0% | 25.1% | 23.5% | 22.0% | 21.6% | | | |
| ***o.w. Retail Banking outside France*** | | | | | | | | | | | | |
| Net banking income | 541 | 572 | 576 | 656 | 641 | 669 | 695 | 781 | 763 | | | |
| Operating expenses | -327 | -341 | -349 | -402 | -378 | -395 | -415 | -456 | -465 | | | |
| *Gross operating income* | *214* | *231* | *227* | *254* | *263* | *274* | *280* | *325* | *298* | | | |
| Net allocation to provisions | -28 | -27 | -29 | -47 | -48 | -53 | -47 | -67 | -58 | | | |
| *Operating income* | *186* | *204* | *198* | *207* | *215* | *221* | *233* | *258* | *240* | | | |
| Net income from other assets | 8 | -2 | 0 | -1 | 9 | -1 | 1 | -2 | 20 | | | |
| Net income from companies accounted for by the equity method | 1 | 1 | 1 | 1 | 2 | 3 | 2 | 4 | 8 | | | |
| Income tax | -54 | -57 | -55 | -58 | -58 | -58 | -59 | -67 | -64 | | | |
| *Net income before minority interests* | *141* | *146* | *144* | *149* | *168* | *165* | *177* | *193* | *204* | | | |
| o.w. minority interests | 47 | 50 | 49 | 48 | 57 | 57 | 57 | 61 | 60 | | | |
| *Net income* | *94* | *96* | *95* | *101* | *111* | *108* | *120* | *132* | *144* | | | |
| Average allocated capital | 875 | 919 | 967 | 1,074 | 1,103 | 1,164 | 1,401 | 1,597 | 1,701 | | | |
| ROE after tax | 43.0% | 41.8% | 39.3% | 37.6% | 40.3% | 37.1% | 34.3% | 33.1% | 33.9% | | | |
| ***o.w. Financial Services*** | | | | | | | | | | | | |
| Net banking income | 484 | 521 | 525 | 597 | 592 | 627 | 627 | 690 | 680 | | | |
| Operating expenses | -278 | -289 | -287 | -348 | -326 | -340 | -343 | -377 | -367 | | | |
| *Gross operating income* | *206* | *232* | *238* | *249* | *266* | *287* | *284* | *313* | *313* | | | |
| Net allocation to provisions | -38 | -49 | -57 | -57 | -66 | -60 | -60 | -88 | -84 | | | |
| *Operating income* | *168* | *183* | *181* | *192* | *200* | *227* | *224* | *225* | *229* | | | |
| Net income from other assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -1 | 0 | | | |
| Net income from companies accounted for by the equity method | 0 | 0 | 0 | -8 | 1 | -3 | -2 | -10 | -2 | | | |
| Income tax | -59 | -64 | -62 | -67 | -70 | -79 | -78 | -76 | -77 | | | |
| *Net income before minority interests* | *109* | *119* | *119* | *117* | *131* | *145* | *144* | *138* | *150* | | | |
| o.w. minority interests | 2 | 2 | 3 | 4 | 3 | 4 | 3 | 4 | 4 | | | |
| *Net income* | *107* | *117* | *116* | *113* | *128* | *141* | *141* | *134* | *146* | | | |
| Average allocated capital | 2,647 | 2,756 | 2,858 | 2,963 | 3,148 | 3,320 | 3,358 | 3,524 | 3,629 | | | |
| ROE after tax | 16.2% | 17.0% | 16.2% | 15.3% | 16.3% | 17.0% | 16.8% | 15.2% | 16.1% | | | |

| | 2005 - IFRS (incl. IAS 32 & 39 and IFRS 4) | | | | 2006 - IFRS (incl. IAS 32 & 39 and IFRS 4) | | | | 2007 - IFRS (inc. IAS 32 & 39 and IFRS 4) | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| **Global Investment Management & Services** | | | | | | | | | | | | |
| Net banking income | 602 | 608 | 640 | 734 | 769 | 775 | 767 | 884 | 919 | | | |
| Operating expenses | -415 | -435 | -455 | -547 | -523 | -552 | -564 | -659 | -649 | | | |
| *Gross operating income* | *187* | *173* | *185* | *187* | *246* | *223* | *203* | *225* | *270* | | | |
| Net allocation to provisions | 0 | -1 | -1 | -4 | -3 | -1 | -1 | -3 | -1 | | | |
| *Operating income* | *187* | *172* | *184* | *183* | *243* | *222* | *202* | *222* | *269* | | | |
| Net income from other assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -1 | 0 | | | |
| Net income from companies accounted for by the equity method | 0 | 0 | 0 | 0 | 1 | -1 | 0 | 0 | 0 | | | |
| Income tax | -58 | -54 | -56 | -55 | -75 | -69 | -65 | -64 | -83 | | | |
| *Net income before minority interests* | *129* | *118* | *128* | *128* | *169* | *152* | *137* | *157* | *186* | | | |
| o.w. minority interests | 12 | 9 | 11 | 11 | 14 | 10 | 5 | 9 | 10 | | | |
| *Net income* | *117* | *109* | *117* | *117* | *155* | *142* | *132* | *148* | *176* | | | |
| Average allocated capital | 810 | 917 | 930 | 919 | 1,019 | 1,052 | 1,074 | 1,197 | 1,239 | | | |
| ROE after tax | 57.8% | 47.5% | 50.3% | 50.9% | 60.8% | 54.0% | 49.2% | 49.5% | 56.8% | | | |

***o.w. Asset Management***

| | Q1 2005 | Q2 2005 | Q3 2005 | Q4 2005 | Q1 2006 | Q2 2006 | Q3 2006 | Q4 2006 | Q1 2007 |
|---|---|---|---|---|---|---|---|---|---|
| Net banking income | 269 | 259 | 286 | 338 | 333 | 305 | 295 | 348 | 340 |
| Operating expenses | -154 | -163 | -178 | -220 | -193 | -196 | -186 | -230 | -212 |
| *Gross operating income* | *115* | *96* | *108* | *118* | *140* | *109* | *109* | *118* | *128* |
| Net allocation to provisions | 0 | 0 | 0 | -2 | 0 | 0 | 0 | 1 | 0 |
| *Operating income* | *115* | *96* | *108* | *116* | *140* | *109* | *109* | *119* | *128* |
| Net income from other assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -1 | 0 |
| Net income from companies accounted for by the equity method | 0 | 0 | 0 | 0 | 1 | -1 | 0 | 0 | 0 |
| Income tax | -39 | -33 | -36 | -39 | -47 | -38 | -38 | -39 | -43 |
| *Net income before minority interests* | *76* | *63* | *72* | *77* | *94* | *70* | *71* | *79* | *85* |
| o.w. minority interests | 9 | 7 | 7 | 8 | 9 | 2 | 3 | 2 | 3 |
| *Net income* | *67* | *56* | *65* | *69* | *85* | *68* | *68* | *77* | *82* |
| Average allocated capital | 287 | 327 | 307 | 272 | 287 | 293 | 276 | 265 | 277 |
| ROE after tax | 93.4% | 68.5% | 84.7% | 101.5% | 118.5% | 92.8% | 98.6% | 116.2% | 118.4% |

***o.w. Private Banking***

| | Q1 2005 | Q2 2005 | Q3 2005 | Q4 2005 | Q1 2006 | Q2 2006 | Q3 2006 | Q4 2006 | Q1 2007 |
|---|---|---|---|---|---|---|---|---|---|
| Net banking income | 127 | 129 | 135 | 149 | 164 | 164 | 156 | 174 | 191 |
| Operating expenses | -86 | -90 | -93 | -107 | -102 | -106 | -105 | -121 | -118 |
| *Gross operating income* | *41* | *39* | *42* | *42* | *62* | *58* | *51* | *53* | *73* |
| Net allocation to provisions | 0 | 0 | -1 | 0 | -2 | 0 | -1 | -1 | 0 |
| *Operating income* | *41* | *39* | *41* | *42* | *60* | *58* | *50* | *52* | *73* |
| Net income from other assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net income from companies accounted for by the equity method | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Income tax | -9 | -9 | -7 | -8 | -14 | -14 | -12 | -9 | -17 |
| *Net income before minority interests* | *32* | *30* | *34* | *34* | *46* | *44* | *38* | *43* | *56* |
| o.w. minority interests | 2 | 2 | 2 | 2 | 3 | 3 | 2 | 4 | 3 |
| *Net income* | *30* | *28* | *32* | *32* | *43* | *41* | *36* | *39* | *53* |
| Average allocated capital | 283 | 316 | 329 | 340 | 376 | 386 | 372 | 377 | 396 |
| ROE after tax | 42.4% | 35.4% | 38.9% | 37.6% | 45.7% | 42.5% | 38.7% | 41.4% | 53.5% |

***o.w. SG SS & Online Savings***

| | Q1 2005 | Q2 2005 | Q3 2005 | Q4 2005 | Q1 2006 | Q2 2006 | Q3 2006 | Q4 2006 | Q1 2007 |
|---|---|---|---|---|---|---|---|---|---|
| Net banking income | 206 | 220 | 219 | 247 | 272 | 306 | 316 | 362 | 388 |
| Operating expenses | -175 | -182 | -184 | -220 | -228 | -250 | -273 | -308 | -319 |
| *Gross operating income* | *31* | *38* | *35* | *27* | *44* | *56* | *43* | *54* | *69* |
| Net allocation to provisions | 0 | -1 | 0 | -2 | -1 | -1 | 0 | -3 | -1 |
| *Operating income* | *31* | *37* | *35* | *25* | *43* | *55* | *43* | *51* | *68* |
| Net income from other assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net income from companies accounted for by the equity method | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Income tax | -10 | -12 | -13 | -8 | -14 | -17 | -15 | -16 | -23 |
| *Net income before minority interests* | *21* | *25* | *22* | *17* | *29* | *38* | *28* | *35* | *45* |
| o.w. minority interests | 1 | 0 | 2 | 1 | 2 | 5 | 0 | 3 | 4 |
| *Net income* | *20* | *25* | *20* | *16* | *27* | *33* | *28* | *32* | *41* |
| Average allocated capital | 240 | 274 | 294 | 307 | 356 | 373 | 426 | 555 | 566 |
| ROE after tax | 33.3% | 36.5% | 27.2% | 20.8% | 30.3% | 35.4% | 26.3% | 23.1% | 29.0% |

| | 2005 - IFRS (incl. IAS 32 & 39 and IFRS 4) | | | | 2006 - IFRS (incl. IAS 32 & 39 and IFRS 4) | | | | 2007 - IFRS (inc. IAS 32 & 39 and IFRS 4) | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| **Corporate and Investment Banking** | | | | | | | | | | | | |
| Net banking income | 1,550 | 1,233 | 1,496 | 1,418 | 1,957 | 1,832 | 1,521 | 1,688 | 1,947 | | | |
| Operating expenses | -843 | -784 | -853 | -840 | -1,066 | -1,063 | -831 | -930 | -1,081 | | | |
| *Gross operating income* | *707* | *449* | *643* | *578* | *891* | *769* | *690* | *758* | *866* | | | |
| Net allocation to provisions | 47 | 22 | 32 | 44 | 19 | 35 | 23 | 16 | 29 | | | |
| *Operating income* | *754* | *471* | *675* | *622* | *910* | *804* | *713* | *774* | *895* | | | |
| Net income from other assets | 0 | 0 | 1 | -12 | 23 | 1 | 4 | 2 | 1 | | | |
| Net income from companies accounted for by the equity method | 4 | 6 | -5 | 17 | 6 | 6 | 8 | 4 | 6 | | | |
| Impairment losses on goodwill | 0 | -13 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | |
| Income tax | -257 | -115 | -170 | -126 | -293 | -219 | -197 | -193 | -233 | | | |
| *Net income before minority interests* | *501* | *349* | *501* | *501* | *646* | *592* | *528* | *587* | *669* | | | |
| o.w. minority interests | 3 | 3 | 3 | 2 | 3 | 3 | 5 | 2 | 3 | | | |
| *Net income* | *498* | *346* | *498* | *499* | *643* | *589* | *523* | *585* | *666* | | | |
| Average allocated capital | 3,686 | 3,975 | 4,362 | 4,570 | 4,747 | 4,868 | 4,969 | 5,067 | 5,303 | | | |
| ROE after tax | 54.0% | 34.8% | 45.7% | 43.7% | 54.2% | 48.4% | 42.1% | 46.2% | 50.2% | | | |
| **Corporate and Investment Banking (Excluding Cowen)** | | | | | | | | | | | | |
| Net income | 1,494 | 1,195 | 1,441 | 1,359 | 1,879 | 1,776 | 1,517 | 1,688 | 1,947 | | | |
| *Financing and Advisory* | *348* | *330* | *354* | *456* | *308* | *396* | *416* | *439* | *354* | | | |
| *Fixed Income, Currencies and Commodities* | *485* | *289* | *477* | *507* | *543* | *623* | *492* | *594* | *525* | | | |
| *Equities* | *661* | *576* | *610* | *396* | *1028* | *757* | *609* | *655* | *1068* | | | |
| Operating expenses | -791 | -746 | -794 | -783 | -997 | -1,004 | -824 | -930 | -1,081 | | | |
| *Gross operating income* | *703* | *449* | *647* | *576* | *882* | *772* | *693* | *758* | *866* | | | |
| Net allocation to provisions | 47 | 22 | 32 | 44 | 19 | 35 | 23 | 16 | 29 | | | |
| *Operating income* | *750* | *471* | *679* | *620* | *901* | *807* | *716* | *774* | *895* | | | |
| Net income from other assets | 0 | 0 | 1 | -12 | 23 | 1 | 4 | 2 | 1 | | | |
| Net income from companies accounted for by the equity method | 4 | 6 | -5 | 17 | 6 | 6 | 8 | 4 | 6 | | | |
| Impairment losses on goodwill | 0 | -13 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | |
| Income tax | -256 | -115 | -171 | -125 | -290 | -219 | -199 | -193 | -233 | | | |
| *Net income before minority interests* | *498* | *349* | *504* | *500* | *640* | *595* | *529* | *587* | *669* | | | |
| o.w. minority interests | 3 | 3 | 3 | 2 | 3 | 3 | 5 | 2 | 3 | | | |
| *Net income* | *495* | *346* | *501* | *498* | *637* | *592* | *524* | *585* | *666* | | | |
| Average allocated capital | 3,677 | 3,965 | 4,353 | 4,561 | 4,738 | 4,860 | 4,963 | 5,065 | 5,303 | | | |
| ROE after tax | 53.8% | 34.9% | 46.0% | 43.7% | 53.8% | 48.7% | 42.2% | 46.2% | 50.2% | | | |
| **Corporate Centre** | | | | | | | | | | | | |
| Net banking income | 53 | 38 | 102 | 31 | 144 | 111 | 12 | -66 | 36 | | | |
| Operating expenses | -57 | 7 | -37 | -64 | -11 | -68 | 2 | -54 | -14 | | | |
| *Gross operating income* | *-4* | *45* | *65* | *-33* | *133* | *43* | *14* | *-120* | *22* | | | |
| Net allocation to provisions | 14 | 7 | -1 | 7 | -3 | -2 | 6 | -2 | 0 | | | |
| *Operating income* | *10* | *52* | *64* | *-26* | *130* | *41* | *20* | *-122* | *22* | | | |
| Net income from other assets | 158 | 0 | -1 | -5 | 2 | 2 | -3 | 2 | 0 | | | |
| Net income from companies accounted for by the equity method | 0 | 0 | 0 | 0 | 0 | -3 | 0 | -2 | -1 | | | |
| Impairment losses on goodwill | 0 | 0 | 0 | -10 | 0 | 0 | 0 | -18 | 0 | | | |
| Income tax | 56 | 52 | 11 | 52 | 29 | -2 | 62 | 45 | 16 | | | |
| *Net income before minority interests* | *224* | *104* | *74* | *11* | *161* | *38* | *79* | *-95* | *37* | | | |
| o.w. minority interests | 61 | 46 | 49 | 54 | 55 | 58 | 61 | 41 | 57 | | | |
| *Net income* | *163* | *58* | *25* | *-43* | *106* | *-20* | *18* | *-136* | *-20* | | | |

| | 2005 - IFRS (incl. IAS 32 & 39 and IFRS 4) | | | | 2006 - IFRS (incl. IAS 32 & 39 and IFRS 4) | | | | 2007 - IFRS (inc. IAS 32 & 39 and IFRS 4) | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| **GROUP** | | | | | | | | | | | | |
| Net banking income | 4,750 | 4,458 | 4,871 | 5,087 | 5,771 | 5,709 | 5,266 | 5,671 | 6,046 | | | |
| Operating expenses | -2,985 | -2,897 | -3,016 | -3,258 | -3,412 | -3,489 | -3,213 | -3,589 | -3,698 | | | |
| *Gross operating income* | *1,765* | *1,561* | *1,855* | *1,829* | *2,359* | *2,220* | *2,053* | *2,082* | *2,348* | | | |
| Net allocation to provisions | *-73* | *-115* | *-120* | *-140* | *-162* | *-152* | *-134* | *-231* | *-192* | | | |
| *Operating income* | *1,692* | *1,446* | *1,735* | *1,689* | *2,197* | *2,068* | *1,919* | *1,851* | *2,156* | | | |
| Net income from other assets | *166* | *-1* | *0* | *-17* | *34* | *4* | *3* | *2* | *24* | | | |
| Net income from companies accounted for by the equity method | *5* | *8* | *-4* | *10* | *10* | *3* | *8* | *-3* | *11* | | | |
| Impairment losses on goodwill | *0* | *-13* | *0* | *-10* | *0* | *0* | *0* | *-18* | *0* | | | |
| Income tax | *-507* | *-367* | *-483* | *-433* | *-637* | *-615* | *-518* | *-523* | *-613* | | | |
| *Net income before minority interests* | *1,356* | *1,073* | *1,248* | *1,239* | *1,604* | *1,460* | *1,412* | *1,309* | *1,578* | | | |
| o.w. minority interests | *137* | *121* | *126* | *130* | *145* | *146* | *143* | *130* | *147* | | | |
| *Net income* | *1,219* | *952* | *1,122* | *1,109* | *1,459* | *1,314* | *1,269* | *1,179* | *1,431* | | | |
| Average allocated capital | 15,771 | 16,412 | 17,083 | 17,759 | 18,437 | 19,454 | 20,482 | 22,054 | 23,268 | | | |
| ROE after tax | 30.8% | 23.1% | 26.1% | 24.8% | 31.5% | 26.8% | 24.6% | 21.2% | 24.4% | | | |

**Methodology**

Group **ROE** is calculated on the basis of **average allocated capital**, i.e. Group shareholders' equity under IFRS excluding (i) unrealised capital gains or losses, or deferred capital gains or losses booked directly under shareholders' equity, (ii) deeply subordinated notes, (iii) undated subordinated notes recognised as shareholders' equity, and deducting (iv) interest to be paid to holders of deeply subordinated notes and of the restated, undated subordinated notes. The net income used to calculate ROE excludes interest, net of tax impact, to be paid to holders of deeply subordinated notes for the period and, as of 2006, to the holders of restated, undated subordinated notes (i.e. EUR 11 million in Q1 07 vs. EUR 8 million in Q1 06).

**Earnings per share** is the ratio of (i) net income for the period after deduction (as of 2005) of the interest, net of tax, to be paid to holders of deeply subordinated notes (EUR 7 million in Q1 06 and in Q1 07) and, as of 2006, the interest, net of tax, to be paid to holders of undated subordinated notes which were reclassified from debt to shareholders' equity (EUR 4 million for Q1 07 vs. EUR 1 million for Q1 06, (ii) the average number of shares outstanding excluding treasury shares, but taking into account (a) trading shares held by the Group, and (b) shares held under the liquidity contract. In accordance with IAS 33, historical data per share have been adjusted by a factor of 0.99336 (supplied by Euronext) following the detachment of the preferential subscription right to Société Générale shares for the capital increase in the fourth quarter of 2006.

**Net assets** are comprised of Group shareholders' equity, excluding (i) deeply subordinated notes (EUR 1 billion), undated subordinated notes previously recognised as debt (EUR 0.9 billion), and (ii) interest to be paid to holders of deeply subordinated notes and undated subordinated notes, but reinstating the book value of trading shares held by the Group and shares held under the liquidity contract. The number of shares used to calculate book value per share is the number outstanding at March 31st, 2006, excluding treasury shares but including (a) trading shares held by the Group and (b) shares held under the liquidity contract. In accordance with IAS 33, historical data per share have been adjusted by a factor of 0.99336 (supplied by Euronext) following the detachment of the preferential subscription right to Société Générale shares for the capital increase in the fourth quarter of 2006.

The figures provided for the first quarter of 2007 were prepared in accordance with the IFRSs adopted by the European Union at March 31st, 2007.
This financial information does not constitute a complete set of financial statements for an intermediary period, as defined by IAS 34 "Intermediary financial information". The management of Société Générale intends to publish a complete set of interim financial statements for the intermediary situation at June 30th, 2007.