Societe Generale S.A.

Full Rating Report

Ratings

Societe Generale S.A.

Long-Term IDR	A
Short-Term IDR	F1
Derivative Counterparty Rating	A+(dcr)
Viability Rating	a
Support Rating	5
Support Rating Floor	NF

Compagnie Generale de Location d'Equipements

Long-Term IDR	A
Short-Term IDR	F1
Support Rating	1

Sovereign Risk

Sovereign Long-Term Foreign- and Local-Currency IDRs	AA

Outlooks

Long-Term Foreign-Currency IDRs	Stable
Sovereign Long-Term Foreign- and Local-Currency IDRs	Stable

Financial Data

Societe Generale S.A.

	31 Dec 18	31 Dec 17
Total assets (USDm)	1,499,820	1,529,261
Total assets (EURm)	1,309,428	1,275,128
Total equity (EURm)	55,899	54,671
Operating profit (EURm)	6,325	4,912
Net income (EURm)	4,556	3,430
Fitch comprehensive income (EURm)	4,991	1,078
Operating profit/risk-weighted assets (%)	1.7	1.4
Impaired loans/gross loans (%)	4.1	5.0
Fitch Core Capital/ adjusted risk-weighted assets (%)	11.8	12.2
Fully loaded common equity Tier 1 ratio (%)	10.9	11.4
Loans/customer deposits (%)	108	106

Source: Fitch Ratings, Fitch Solutions

Related Research

Societe Generale S.A. - Ratings Navigator (February 2019)

Major French Banks' 2018 Results (March 2019)

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Key Rating Drivers

Diversified Profile: Societe Generale S.A.'s (SG) ratings reflect a diversified company profile focused mainly on retail and commercial banking, with a significant contribution from corporate and investment banking (CIB). The ratings factor in the bank's resilient earnings generation, adequate capitalisation and sound liquidity profile. The stock of impaired loans remains high compared with peers despite recent improvements and is a rating weakness.

International Franchise: SG generates less than half its revenue in France, where it is the fourth-largest retail and commercial bank by market share. The group is third in the Czech Republic and Romania. In capital markets, SG is strong in equity derivatives. The group also has significant franchises in insurance, leasing and private banking.

Resilient Earnings, Manageable Volatility: SG's earnings are affected by the low-interest-rate environment but benefit from the group's diversification. Revenue volatility from market activities is manageable as this business has a lower contribution to group revenue than at many global trading and universal bank (GTUB) peers, albeit higher than at domestic peers.

Declining Stock of Impaired loans: At end-2018, SG's impaired loan ratio was 4.1%, higher than at most French and GTUB peers, but about 90bp lower yoy. The stock of impaired loans relates mainly to French counterparties and we expect it to continue to decline due to the bank's more active management. The loan loss allowances/impaired loans ratio of about 65% leaves the bank partially reliant on collateral valuation and realisation.

Lower Capitalisation than Peers: SG's capitalisation is at the lower end of GTUB and domestic peers' on both solvency and leverage ratio bases. At end-March 2019, the bank's fully loaded common equity Tier 1 (CET1) and regulatory leverage ratio were 11.7% and 4.2%, respectively. However, SG guides to a more comfortable CET1 ratio of 12.3%-12.7% at end-2020. The bank settled all its significant outstanding litigation in 2018, which removed a source of uncertainty for its capital ratios.

Diversified Funding Sources: Customer deposits account for less than 50% of SG's funding due to the size of its capital market activities. SG has well-established market access and wholesale funding is diversified by tenor and instrument type. The bank's high-quality liquid assets represent a significant proportion of total assets and more than covered short-term wholesale and net interbank and repo funding at end-2018.

Senior Preferred Debt Uplift: Long-term senior preferred debt, deposits and derivative counterparty ratings are one notch above SG's Long-Term Issuer Default Rating (IDR) because of the bank's large buffer of additional Tier 1, Tier 2 and senior non-preferred debt, which was about 9.5% of risk-weighted assets (RWAs) at end-2018.

Rating Sensitivities

Risk Appetite, Capitalisation and Liquidity: SG's ratings are sensitive to an increased risk appetite and a significant deterioration in capital ratios or liquidity metrics. Materially weaker earnings or failure to further reduce impaired loans would also put pressure on the ratings.

Limited Upside: An upgrade would require significant improvements to the bank's franchise, a lower relative contribution of capital markets revenue and stronger capitalisation and asset quality, while maintaining resilient earnings and a sound liquidity profile.

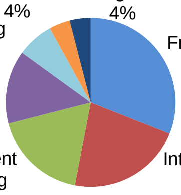
Economic Data

	2018 GDP per capita forecast (USD)	Ease of doing business (percentile)
France	42,676	83.6
UK	42,432	95.8
United States	62,745	96.3
Czech Republic	23,039	82.1
AA-Rated Countries Median	42,676	91.9

Source: Fitch Ratings, World Bank

Operating Income per Business Line[a]

2018



[a] Excluding Corporate Centre
RCB stands for retail and commercial banking; International RCB includes consumer finance in Western Europe
Source: Fitch Ratings, SG

Related Criteria

Bank Rating Criteria (October 2018)
Non-Bank Financial Institutions Rating Criteria (October 2018)
Short-Term Ratings Criteria (May 2019)

Operating Environment

Geographically Diversified Operations

SG mainly operates in very stable and advanced economies, with high sovereign ratings, developed and transparent regulatory frameworks and deep financial markets such as France (AA/Stable), the largest contributor to revenue (46% in 2018), the UK (AA/Rating Watch Negative; 7%), the US (AAA/Stable; 5%) and Germany (AAA/Stable; 3%). Other foreign operations combine the strongly performing Czech Republic (AA-/Stable; 5% of revenue) and more volatile economies such as Romania (BBB-/Stable; 3%), Russia (BBB-/Positive; 3%), or Africa (6%).

SG's emerging-market exposure, which Fitch Ratings estimates at about 15% of 2018 revenue and 10% of exposure at default at end-2018, does not negatively affect our assessment of the operating environment as it is offset by a significant level of geographical diversification and because of its contained size as a proportion of group activities.

Fitch views France as a large, diversified and wealthy economy. French GDP growth was 1.7% in 2018 according to the national statistics office (INSEE), and Fitch forecasts growth of 1.4% in 2019 and 1.5% in 2020. Public finances, although gradually improving, remain a rating weakness relative to the 'AA' rating category. However, the country's rating benefits from the sovereign's strong financial flexibility helped by its access to deep and liquid capital markets as a core eurozone member. This compensates for a lower Ease of Doing Business percentile than the 'AA' rated countries median.

Concentrated French Banking Sector

The major French banks are large and banking sector assets are significant at about 3.5x GDP on a consolidated basis. The sector is concentrated, with the top six banks totalling about 85% of the market by assets. Four French banks (including SG) are classified as global systemically important banks (G-SIBs) by the Financial Stability Board. There are high barriers to entry, as evidenced by foreign banks' failure to enter the market significantly. The largest banks, including SG, are supervised by the ECB. The regulatory environment is highly developed and transparent.

Company Profile

Universal Banking Business Model

SG is the third-largest French bank by total assets and the fourth-largest retail and commercial bank by market share (estimated at 9%-10% for loans and deposits). Group revenue is 45%-55% split between France and abroad.

SG has a universal bancassurance business model as other large French peers. Traditional commercial banking, including leasing and consumer finance, is about 60% of group revenue and pre-tax income. CIB activities account for a third of revenue and asset gathering activities account for the remaining 10%. The significant contribution of capital markets activities to revenue (about 20%) negatively affects our company profile assessment.

Reshaped International Presence

In France, SG serves its clients through three channels: the SG-branded network, Credit du Nord (A/Stable/bbb+) through a network of eight regional banks, and Boursorama, the leading domestic online bank. Both SG and Credit du Nord focus on urban areas. Credit du Nord has a well-recognised franchise among professionals and SMEs. Boursorama is rapidly growing its client base and offers housing and consumer loans. SG also has consumer finance subsidiaries in France, Germany and Italy.

Internationally, SG has sold or is in the process to sell its operations in many central and eastern European countries to focus on the Czech Republic, Romania and Russia. In the Czech Republic, SG ranks third with an 18% market share for loans. In Romania, it is also the third-largest bank with a 12% market share for loans and 13% for customer deposits. In Russia, SG is one of the country's largest privately owned banks with a below 5% market share.

In Africa, SG's largest subsidiary is in Morocco, where it is the fourth-largest bank with loans and deposits market shares of 7%-8%. The group also has notable market positions in the Ivory Coast, Senegal and Cameroon.

SG is the second-largest fleet management company globally through ALD S.A. (A-/Stable/F1), with 1.7 million vehicles at end-March 2019, mainly located in Europe. SG also has a notable franchise in equipment finance.

Refocused CIB

In capital markets business, SG is primarily active in Europe, which represents about 60% of revenue, America and Asia accounting for about 20% each. The bank ranked 12th by revenue among global investment banks in 2018, according to Coalition. SG is particularly strong in equities (55% of 2018 capital markets revenue) and is the third-largest global player in equity derivatives, futures and options. The acquisition of the Equity Markets and Commodities division of Commerzbank AG will complement SG's franchise in this area.

SG will reduce its activities in fixed income, commodities and currencies in areas where the bank estimates not to have critical mass or not being sufficiently profitable.

In corporate banking, SG has a well-established franchise in EMEA syndicated loans (top five), asset finance and natural resources. The group also holds strong positions in payments, cash management and trade finance.

Established Asset Gathering Franchise

SG is the fifth-largest life insurer in France with a share of about 6% of the market. It is also rapidly growing its property and casualty insurance portfolio. In private banking, the group has about EUR110 billion in assets under management. In asset management, Lyxor has a good franchise in exchange-traded funds. SG is also Europe's second-largest custodian with about EUR4 trillion of assets under custody.

Management and Strategy

Experienced Management Team

SG's executive and senior management team have a high degree of depth, experience and credibility. The chief executive and its four deputies have extensive banking experience within the group. Following the departure of two deputy chief executives, three others were appointed through internal promotions in May 2018, which we view positively.

SG's board of directors comprises 14 members, a majority being independent. The chairman and chief executive roles are separate. Independent members provide outside perspective and chair the risks, audit, nominations and remunerations committees.

Focus on Cost Efficiency

SG's 2020 strategic plan aims at improving the group's return on tangible equity by growing revenue, improving operating efficiency and refocusing the bank on its strengths. Sub-scale or less profitable businesses will be disposed. Asset sales are expected to have a cumulative impact of 80bp-90bp on the CET1 ratio (45bp announced as of May 2019).

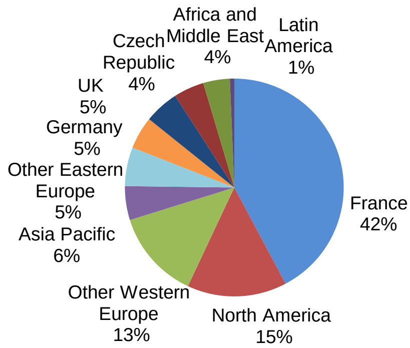
SG reviewed some of its 2020 targets in early 2019. It lowered its annual revenue growth objective due to persistently low interest rates in the eurozone and more difficult conditions in capital markets, especially in Europe. As a result, the bank has not confirmed its cost/income ratio target of below 63% in 2020 and rather aims at delivering positive jaws across all businesses by 2020. This translated into an increased cost savings programme. RWA growth will also be lower than expected to favour capital preservation.

2020 Key Financial Targets

(%)	2016	2018	2020 revised targets	2020 initial targets
Revenue growth (2016-2020 CAGR)[a]		~ -0.3[b]	3.0[c]	>3.0
Recurring cost savings from 2020 (EURbn)		0.4	1.6	1.1
Cost/income	66[c]	71[c]	Positive jaws across all businesses	<63
LICs/average gross loans (bp)	37[d]	21[d]	35-40	35-40
Average annual RWA growth[b]		+3[c]	+2 for 2018-2020	+3
Impact of disposals on CET1 (bp)		36	80/90	50/60
CET1 ratio (fully loaded)	11.5	11.2[e]	12.0	>=12.0
Regulatory leverage ratio		4.3	4-4.5	4-4.5
Return on Tangible Equity[a]	9.3	9.7	9-10	11.5

LICs: Loan Impairment Charges
[a] Excluding exceptional items
[b] Excluding corporate centre
[c] Fitch's calculation
[d] SG's calculation
[e] Assuming a 50% take-up in the scrip dividend proposed for 2018
Source: Fitch Ratings, SG

Exposure at Default by Geography
End-2018, total of EUR920bn



Source: Fitch Ratings, SG

Risk Appetite

Moderate Risk Appetite

SG is mainly exposed to credit and counterparty risk, which was about 80% of consolidated RWAs at end-2018, and to western Europe and North America (though CIB), both regions totalling about 80% of exposure at default at end-2018.

Consolidated loan growth was controlled in recent years at about 4% on average between end-2014 and end-2018. We expect business growth to remain within organic capital generation and not to translate into pressure on SG's capital ratios.

SG's underwriting standards in French retail and commercial banking are fairly low risk as more than 50% of loans are housing loans. Lending is based on borrower affordability and loans generally have a fixed interest rate over their entire term as per the French market. Principal is usually fully amortising. SG favours originating loans guaranteed by Credit Logement, the largest French housing loan guarantor owned by the large French banks, which reduces the risk associated with this portfolio. Underwriting criteria for professionals and corporates are average compared with peers, in Fitch's view.

Consumer loans are split between the higher risk loans in the French networks and western European specialised lenders, mainly focused on car finance (about 60% of their loan portfolio), the best-performing consumer loan segment.

Underwriting standards in the Czech Republic are conservative and the loan book is well balanced between individuals and corporates. In Romania, SG's loan portfolio is dominated by loans to individuals and the bank significantly tightened its underwriting criteria in recent years. In Russia, SG focuses on large corporates and converted almost all of its housing loans denominated in foreign currencies into roubles.

In corporate banking, SG follows an originate-to-distribute policy and estimates to keep only half of its asset and commodity finance originated loans on its books. The bank's appetite for riskier asset classes within CIB is generally below GTUB peers'. SG's investment policy is fairly prudent and essentially focused on fixed-income securities held for liquidity purpose.

Well-Managed Market Risk

SG has material exposure to market risk, and trades complex financial instruments. Its trading book was close to 20% of end-2018 assets (excluding insurance assets). Nevertheless, its appetite for traded market risk is generally below that of several GTUB peers. Its value-at-risk

(99% confidence level, one-day holding period, one-year look-back period) remained moderate in 2018 (between EUR10 million and EUR27 million). Level-three assets were a manageable 20% of Fitch Core Capital (FCC) at end-2018.

SG's market risk management is of good quality as illustrated by the absence of any significant market loss in 4Q18, which saw a spike in market volatility. SG decided in April 2019 to close its proprietary trading subsidiary Descartes Trading.

Non-trading market risk mainly arises from interest-rate risk in the group's banking book. SG mitigates this risk associated mainly to fixed-rate housing loans with macro hedges, corporate loans being generally floating-rate. SG maintains conservative interest-rate sensitivity limits and has sophisticated interest-rate risk models. The group conducts a variety of stress tests, the least favourable scenario being a 200bp parallel decrease of the yield curve (floored at 0%) at end-2018. In this scenario, the 2019 negative impact was limited to about 1% of 2018 revenue under the assumption of a constant balance sheet (newly originated loans replacing amortising loans).

Interest-rate risk from SG's insurance activities is mitigated by a 5% policyholder participation reserve at end-2018 and a low minimum guaranteed rate on the general account life insurance contracts, in line with the French market. Unit-linked life insurance products were 24% of French assets under management at end-2018, slightly above market average (20%).

SG hedges against foreign-exchange risk to limit volatility of its regulatory CET1 ratio. SG has a very low CET1 capital sensitivity to foreign-exchange movements.

Main Legal Cases Settled

SG's litigation risk significantly receded in 2018 as the bank settled all of its main outstanding litigation cases with the US and French authorities on transactions with countries subject to US sanctions, transactions with Libyan counterparties and suspected manipulation of short-term market rates for a total amount of EUR2.4 billion. Nonetheless, SG remains exposed to legal and regulatory risks, as other large international peers. At end-2018, remaining provisions for litigation were about EUR0.3 billion.

Financial Profile

Asset Quality

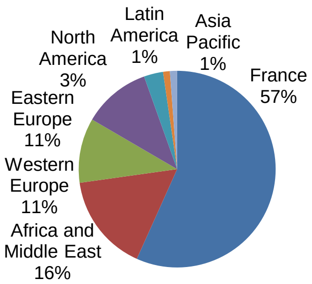
Gradually Improving Loan Quality

SG's stock of impaired loans remains high compared with peers, despite recent improvements. At end-2018, SG's impaired loans ratio (Stage 3 loans/gross customer loans) was 4.1% despite a 25% decline in impaired loans since end-2016. Fitch estimates that SG has a manageable level of Stage 2 loans (about 7% of its end-2018 gross loans to customers). Loan loss allowance coverage of impaired loans slightly improved with IFRS 9 and is significant at 65%, but is lower than several GTUB and French peers.

SG's comparatively high level of impaired loans partly reflects the bank's policy not to write them off until they are fully resolved in France. This contrasts with swifter write-off policies among international peers. However, SG has recently started to manage its stock of impaired loans more actively, with visible improvements in Romania and in Russia. The classification of many eastern European subsidiaries held for sale as discontinued operations also contributed to the reduction in the stock of impaired loans.

At end-2018, France accounted for close to 60% of exposure classified as Stage 3 under IFRS 9, followed by Africa and the Middle East (about 15%), western and eastern Europe (about 10% each). We therefore expect the group to intensify its efforts to reduce impaired loans in France in the course of 2019.

Impaired Exposure (Stage 3) Split by Geography
End-2018, total of EUR19bn



Source: Fitch Ratings, SG

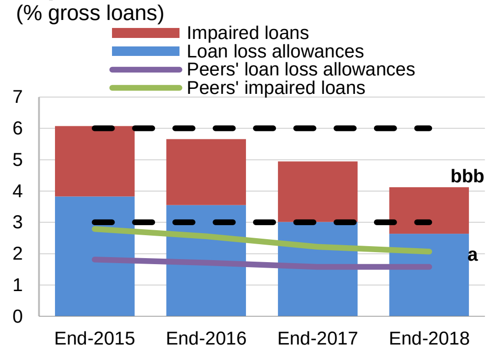
Note on Charts

Black dashed lines in the *Impaired Loans Ratio* chart and further in the report represent indicative quantitative ranges and corresponding implied scores for Fitch's core financial metrics for banks operating in the environments that Fitch scores in the 'aa' category.

Peer average includes:

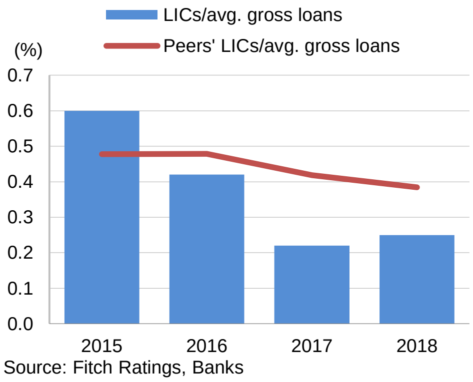
Societe Generale S.A. (Viability Rating (VR): a), Bank of America Corporation (a+), Barclays plc (a), BNP Paribas S.A. (a+), Citigroup Inc. (a), Credit Suisse Group AG (a-), Deutsche Bank AG (bbb), HSBC Holdings plc (aa-), JPMorgan Chase & Co. (aa-) and UBS Group AG (a+)

Impaired Loans Ratio
(% gross loans)



Source: Fitch Ratings, Banks

Loan Impairment Charges (LICs)



Source: Fitch Ratings, Banks

SG's loan impairment charges (LICs)/average gross loans ratio was modest in 2018 at 25bp, as calculated by Fitch, in line with the French sector average and below international peers' average. SG expects LICs to remain within 25bp-30bp in 2019 compared to a 35bp-40bp strategic plan target.

SG's loan book includes a lower portion of housing loans (30% at end-2018) than peers' with a more domestic focus. The vast majority is in France, where we do not expect significant deterioration in their adequate performance. We estimate consumer loans to be about a reasonable 10% of the loan book. Higher risk on this portfolio is compensated by a good level of net interest margin.

We estimate that a majority (about 60%) of SG's loan book is with corporates as well as in commodities and asset financing. Loans to professionals and SMEs are the most vulnerable asset class, but the quality of the portfolio is slowly improving on the back of favourable economic conditions and slightly stricter origination policies.

Main sectoral concentrations are on the financial sector (17% of corporate exposure), followed by business services (9%) and real estate (9%). Exposure to higher-risk sectors such as oil and gas (6%) or metals and mining (4%) is contained. The leveraged finance portfolio is granular and manageable at 3% of corporate exposure. A majority consists in financing provided to European companies.

SG's banking book securities portfolio accounted for about 6% (EUR65 billion) of total assets at end-2018 excluding insurance and is of fairly good quality. It mainly comprises highly rated sovereign and other public-sector bonds. Nevertheless, higher-risk sovereign exposure at default to Romania, Russia, Spain and Italy altogether accounted for a large amount of about EUR11 billion at end-2018 (or about 25% of FCC). Equity exposures, including private equity, accounted for a limited amount of about EUR2 billion (5% of FCC).

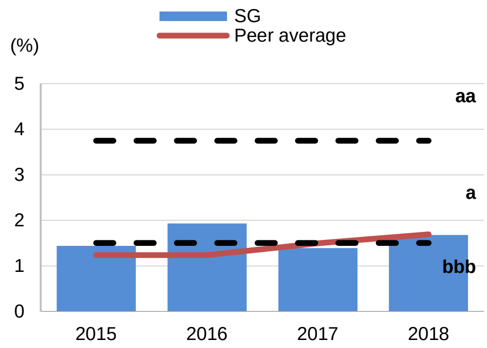
Earnings and Profitability

Resilient Earnings Generation

SG's earnings are sound and resilient thanks to the group's diversification. SG generated more than EUR4 billion in annual net income over the past four years on average. Revenue volatility from capital markets activities (about 20%) is manageable as this business has a lower revenue contribution than at many GTUB peers, despite being higher than at domestic peers.

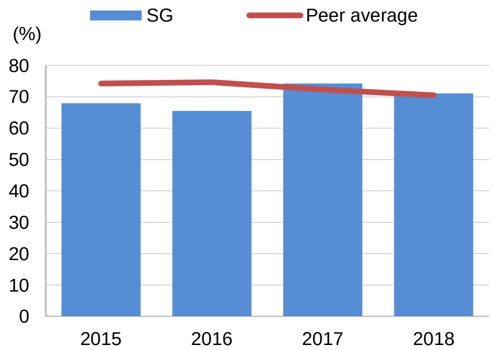
Low interest rates and high volumes of housing loans renegotiations have pressured French retail and commercial banking revenue, which are a third of group revenue. However, the wave of early repayments and renegotiations has come to an end and the bank expects revenue to reach its trough in 2019 (between 0 and -1% yoy after -2% in 2018). In addition, capital markets revenue suffered from difficult market conditions in 2018 (-10%).

Operating Profit/RWAs



Source: Fitch Ratings, Banks

Cost Efficiency



Source: Fitch Ratings, Banks

Despite these headwinds, SG generated flat operating income in 2018, excluding the corporate centre. Western Europe consumer finance, retail and commercial banking in central and eastern Europe and Africa, insurance, custody and corporate banking/advisory grew their revenue by 5%-10% compared with 2017.

Profitability recovered in 2018 after the bank set aside close to EUR1.6 billion in litigation provisions in 2017. SG's operating profit/RWAs ratio was in line with peers' at 1.7% in 2018. Cost efficiency is average and lags some French and GTUB peers (cost/income ratio of 71% in 2018), but current IT investments should ultimately translate into savings.

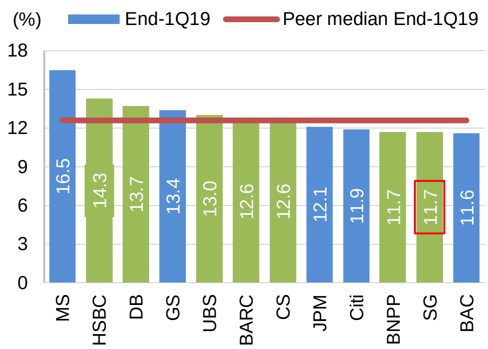
Capitalisation and Leverage

Increased Capital Ratio Guidance

SG's capital ratios are at the lower end of GTUB and domestic peers', both on a RWA and leverage ratio bases. The bank's capital buffer over regulatory requirements is, nevertheless, satisfactory. SG's fully loaded CET1 ratio was 11.7% at end-March 2019 and the FCC ratio was in the same range. This compares with a 9.9% Supervisory Review and Evaluation Process requirement from March 2019, including a 1.75% Pillar 2 requirement and a 1% G-SIB buffer. A 0.25% countercyclical buffer will be added for French exposures from July 2019 (and 0.5% from April 2020).

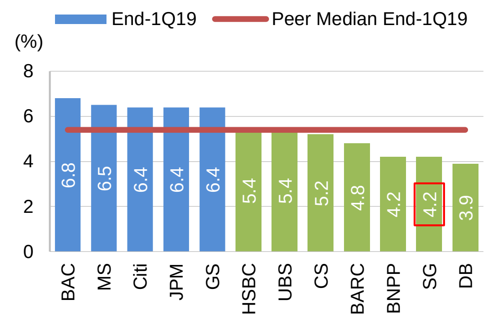
SG's fully loaded CET1 ratio increased meaningfully in 1Q19 driven by lower RWAs (+30bp) and the completion of asset disposals (+20bp). In February 2019, SG guided to a CET1 ratio of 12.3%-12.7% at end-2020, above its strategic plan target of 12%. Non-finalised asset sales will have a +15bp impact, net from the acquisition of the Equity Markets and Commodities division of Commerzbank. Fitch estimates that SG can generate more than 100bp of CET1 capital each year before dividend assuming no RWA inflation. The bank targets a 50% payout ratio.

Fully-Loaded Basel III CET1 Ratio



Source: Fitch Ratings, Banks

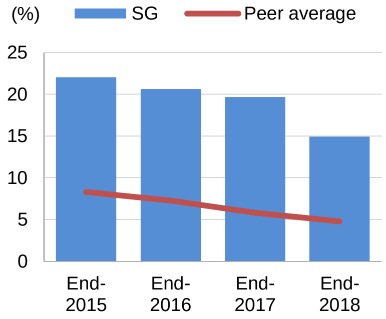
Regulatory Leverage Ratio



US: Fully-loaded supplementary leverage ratio
Europe: Basel III fully-loaded Tier 1 leverage ratio
Source: Fitch Ratings, Banks

Note: European banks are shown in green and US banks in blue in the above charts.

Net Impaired Loans/Fitch Core Capital



Source: Fitch Ratings, Banks

SG's fully loaded regulatory leverage ratio of 4.2% at end-1Q19 is within its targeted range of between 4.0% and 4.5% for 2020. Capital encumbrance from unreserved impaired loans has declined to a more manageable level of about 15% of FCC at end-2018, but remains higher than peers.

SG reached a fully loaded total capital ratio of 17.5% at end-March 2019, above its 2020 target structure of 12% of CET1 capital, 1.5%-2% of additional Tier 1 and 3% of Tier 2. SG's total loss absorbing capacity ratio (TLAC) was 22.7% excluding senior preferred debt. This level is already higher than the 21.5% requirement for 2021 and close to the 23% subordinated minimum requirement of own funds and eligible liabilities (MREL) expected for 2024, to which the countercyclical buffer will be added.

Fitch estimates SG's qualifying junior debt buffer was about 6% of regulatory RWAs at end-2018, excluding subordinated debt issued to third parties by its insurance business holding company. SG had EUR13 billion of senior non-preferred debt outstanding at end-2018, or about 3.5% of RWAs, further protecting senior preferred debt.

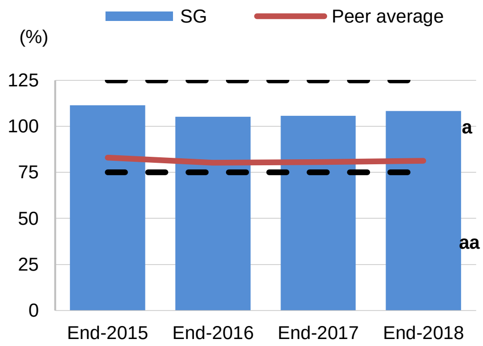
Funding and Liquidity

Diversified Funding Profile

SG's funding profile is well-diversified and relies on a combination of customer deposits and wholesale funding. Customer deposits account for about 45% of total funding, which is lower than French peers and international universal banking peers. However, SG's deposit base has been resilient, including during periods of stress. SG has maintained its loans/deposits ratio at a satisfactory level over the past four years, between 105% and 110%.

Access to markets is well established and diversified by tenor, currency and instruments. SG also uses private placements of structured notes (close to 10% of total funding at end-2018). Short-term wholesale funding was EUR46 billion at end-2018, or about 5% of total funding, which is reasonable.

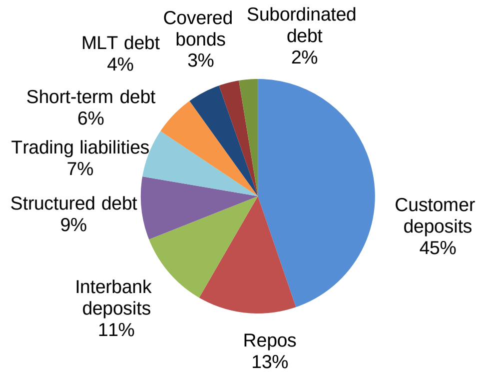
Loans/Customer Deposits



Source: Fitch Ratings, Banks

Funding by Source

End-2018



Source: Fitch Ratings, Fitch Solutions

SG uses the euro and the US dollar as its two main currencies for wholesale funding. The vast majority of wholesale funding is issued by the parent bank and lent to subsidiaries, which do not collect deposits. Retail and commercial banking subsidiaries outside France are mainly self-funded by customer deposits.

SG had EUR155 billion of high-quality liquid securities and cash deposits at central banks at end-2018 or 13% of total assets excluding insurance. This buffer more than covered SG's short-term financing needs, including net interbank and repo borrowings and 2019 redemptions of medium-term debt. The group's liquidity coverage ratio was satisfactory at 129% at end-2018 (140% on average in 1Q19) and its net stable funding ratio was above 100% at end-March 2019.

Support

SG's Support Rating of '5' and Support Rating Floor of 'No Floor' reflect Fitch's view that, although possible, sovereign support cannot be relied on. In our view, legislative, regulatory and policy initiatives (including the implementation of the EU's Bank Recovery and Resolution Directive) have substantially reduced the likelihood of sovereign support for EU commercial banks in general.

This implies that senior creditors would probably be required to participate in losses, if necessary, instead of, or ahead of, the bank receiving sovereign support, despite SG's systemic importance.

Debt Ratings

SG's senior non-preferred debt (A) is rated in line with the bank's Long-Term IDR. SG's long-term senior preferred debt and deposit ratings as well as Derivative Counterparty Rating of 'A+' are one notch above the bank's Long-Term IDR because Fitch considers the combined buffer of qualifying junior debt and senior non-preferred debt as sufficient to materially reduce the risk of default for SG's senior preferred creditors in case of failure.

Fitch estimates SG's buffer of qualifying junior debt and senior non-preferred debt at about 9.5% of RWAs at end-2018. We believe a buffer equal to about 8% of RWAs, or SG's Pillar 1 total capital requirement, would be sufficient to recapitalise the bank in case of resolution without causing losses to senior preferred creditors.

Fitch believes that SG's buffer of qualifying junior and senior non-preferred debt will be sustainable in the longer-term in light of the bank's TLAC and MREL requirements.

SG's short-term senior preferred debt and deposit ratings are rated 'F1', at the lower of the two possible options corresponding to an 'A' long-term rating as the group's funding and liquidity score of 'a' is below the minimum level for an 'F1+' short-term rating.

Subordinated debt and deeply subordinated debt issued by SG are all notched down from SG's VR in accordance with our assessment of each instrument's non-performance and relative loss severity risk profiles.

Fitch rates subordinated Tier 2 debt (A-) one notch below SG's VR for loss severity, reflecting below-average recoveries. Additional Tier 1 instruments (BB+) are rated five notches below SG's VR: two notches for loss severity and three notches for non-performance. This reflects the fully discretionary coupons and incremental risk compared with the risk reflected by the VR, due to the 5.125% CET1 ratio write-down trigger.

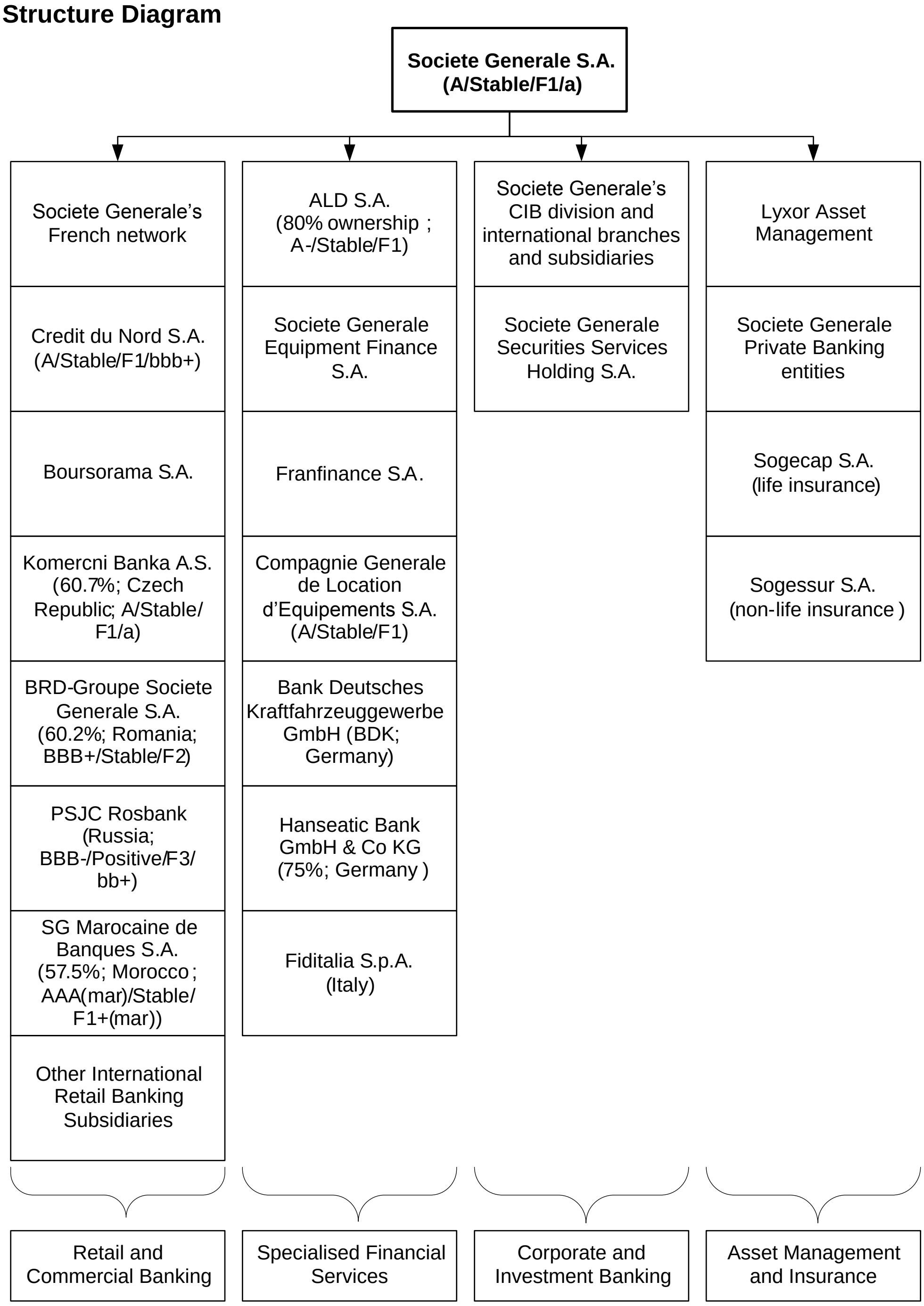
Rated Subsidiary

The Long- and Short-Term IDRs and Support Rating of SG's French specialised lender Compagnie Generale de Location d'Equipements (CGLE) are based on institutional support from SG. CGLE's IDRs are equalised with those of SG as we view this entity as having a key role within the group as a provider of car financing in France. CGLE is also well integrated with its parent, SG providing almost all its funding. We do not assign a VR to CGLE as it is difficult to analyse this entity meaningfully in its own right. CGLE is rated under Fitch's *Non-Bank Financial Institutions Rating Criteria.*

Appendix: Simplified Group Structure

Societe Generale S.A. acts as the group holding company and the main bank operating entity in French retail and commercial banking and CIB. SG did not need to set up an intermediate bank holding company in the US.

Structure Diagram



Note: This structure diagram differs from SG's own presentation.
Source: Fitch Ratings, SG

Societe Generale S.A.
Income Statement

	31 Dec 2018			31 Dec 2017		31 Dec 2016		31 Dec 2015	
	Year End USDm Audited - Unqualified	Year End EURm Audited - Unqualified	As % of Earning Assets	Year End EURm Audited - Unqualified(Emphasis of	As % of Earning Assets	Year End EURm Audited - Unqualified	As % of Earning Assets	Year End EURm Audited - Unqualified	As % of Earning Assets
1. Interest Income on Loans	14,387.4	12,561.0	1.15	12,818.0	1.20	13,134.0	1.14	14,062.0	1.22
2. Other Interest Income	11,588.0	10,117.0	0.92	10,861.0	1.02	11,526.0	1.00	11,369.0	0.98
3. Dividend Income	168.4	147.0	0.01	503.0	0.05	460.0	0.04	722.0	0.06
4. Gross Interest and Dividend Income	**26,143.8**	**22,825.0**	**2.09**	**24,182.0**	**2.27**	**25,120.0**	**2.18**	**26,153.0**	**2.26**
5. Interest Expense on Customer Deposits	3,309.1	2,889.0	0.26	2,351.0	0.22	4,769.0	0.41	5,721.0	0.49
6. Other Interest Expense	10,045.2	8,770.0	0.80	10,912.0	1.02	10,424.0	0.91	10,404.0	0.90
7. Total Interest Expense	**13,354.2**	**11,659.0**	**1.07**	**13,263.0**	**1.25**	**15,193.0**	**1.32**	**16,125.0**	**1.39**
8. Net Interest Income	**12,789.5**	**11,166.0**	**1.02**	**10,919.0**	**1.03**	**9,927.0**	**0.86**	**10,028.0**	**0.87**
9. Net Fees and Commissions	6,327.2	5,524.0	0.50	6,823.0	0.64	6,699.0	0.58	6,678.0	0.58
10. Net Gains (Losses) on Trading and Derivatives	(113.4)	(99.0)	(0.01)	10,244.0	0.96	6,858.0	0.60	5,078.0	0.44
11. Net Gains (Losses) on Assets and Liabilities at FV	5,858.7	5,115.0	0.47	(5,078.0)	(0.48)	(745.0)	(0.06)	1,097.0	0.09
12. Net Gains (Losses) on Other Securities	29.8	26.0	0.00	210.0	0.02	924.0	0.08	227.0	0.02
13. Net Insurance Income	1,974.7	1,724.0	0.16	294.0	0.03	294.0	0.03	212.0	0.02
14. Other Operating Income	2,003.3	1,749.0	0.16	595.0	0.06	1,695.0	0.15	1,537.0	0.13
15. Total Non-Interest Operating Income	**16,080.3**	**14,039.0**	**1.28**	**13,088.0**	**1.23**	**15,725.0**	**1.37**	**14,829.0**	**1.28**
16. Total Operating Income	**28,869.8**	**25,205.0**	**2.30**	**24,007.0**	**2.25**	**25,652.0**	**2.23**	**24,857.0**	**2.15**
17. Personnel Expenses	10,951.2	9,561.0	0.87	9,749.0	0.92	9,455.0	0.82	9,476.0	0.82
18. Other Operating Expenses	9,587.0	8,370.0	0.76	8,089.0	0.76	7,362.0	0.64	7,417.0	0.64
19. Total Non-Interest Expenses	**20,538.2**	**17,931.0**	**1.64**	**17,838.0**	**1.67**	**16,817.0**	**1.46**	**16,893.0**	**1.46**
20. Equity-accounted Profit/ Loss - Operating	64.1	56.0	0.01	92.0	0.01	129.0	0.01	231.0	0.02
21. Pre-Impairment Operating Profit	**8,395.8**	**7,330.0**	**0.67**	**6,261.0**	**0.59**	**8,964.0**	**0.78**	**8,195.0**	**0.71**
22. Loan Impairment Charge	1,218.7	1,064.0	0.10	927.0	0.09	1,723.0	0.15	2,316.0	0.20
23. Securities and Other Credit Impairment Charges	(67.6)	(59.0)	(0.01)	422.0	0.04	368.0	0.03	749.0	0.06
24. Operating Profit	**7,244.7**	**6,325.0**	**0.58**	**4,912.0**	**0.46**	**6,873.0**	**0.60**	**5,130.0**	**0.44**
25. Equity-accounted Profit/ Loss - Non-operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
26. Goodwill Impairment	n.a.	n.a.	-	(1.0)	(0.00)	n.a.	-	n.a.	-
27. Non-recurring Income	0.0	0.0	0.00	278.0	0.03	n.a.	-	197.0	0.02
28. Non-recurring Expense	238.2	208.0	0.02	n.a.	-	212.0	0.02	0.0	0.00
29. Change in Fair Value of Own Debt	n.a.	n.a.	-	(53.0)	(0.00)	(354.0)	(0.03)	782.0	0.07
30. Other Non-operating Income and Expenses	0.0	0.0	0.00	0.0	0.00	n.a.	-	n.a.	-
31. Pre-tax Profit	**7,006.4**	**6,117.0**	**0.56**	**5,138.0**	**0.48**	**6,307.0**	**0.55**	**6,109.0**	**0.53**
32. Tax expense	1,788.0	1,561.0	0.14	1,708.0	0.16	1,969.0	0.17	1,714.0	0.15
33. Profit/Loss from Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
34. Net Income	**5,218.4**	**4,556.0**	**0.42**	**3,430.0**	**0.32**	**4,338.0**	**0.38**	**4,395.0**	**0.38**
35. Change in Value of AFS Investments	(350.5)	(306.0)	(0.03)	(218.0)	(0.02)	(321.0)	(0.03)	425.0	0.04
36. Revaluation of Fixed Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
37. Currency Translation Differences	423.8	370.0	0.03	(2,088.0)	(0.20)	389.0	0.03	797.0	0.07
38. Remaining OCI Gains/(losses)	424.9	371.0	0.03	(46.0)	(0.00)	(82.0)	(0.01)	(83.0)	(0.01)
39. Fitch Comprehensive Income	**5,716.7**	**4,991.0**	**0.46**	**1,078.0**	**0.10**	**4,324.0**	**0.38**	**5,534.0**	**0.48**
40. Memo: Profit Allocation to Non-controlling Interests	792.6	692.0	0.06	624.0	0.06	464.0	0.04	394.0	0.03
41. Memo: Net Income after Allocation to Non-controlling Interests	4,425.8	3,864.0	0.35	2,806.0	0.26	3,874.0	0.34	4,001.0	0.35
42. Memo: Common Dividends Relating to the Period	2,035.4	1,777.0	0.16	2,132.0	0.20	2,005.0	0.17	1,854.0	0.16
43. Memo: Preferred Dividends and Interest on Hybrid Capital Accounted for as Equity Related to the Period	n.a.	n.a.	-	n.a.	-	n.a.	-	0.0	0.00

Exchange rate	USD1 = EUR0.873057	USD1 = EUR0.83382	USD1 = EUR0.9487	USD1 = EUR0.9185

Societe Generale S.A.
Balance Sheet

	31 Dec 2018			31 Dec 2017		31 Dec 2016		31 Dec 2015	
	Year End USDm	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets
Assets									
A. Loans									
1. Residential Mortgage Loans	144,503.7	126,160.0	9.63	124,324.0	9.75	119,547.0	8.83	115,689.0	8.67
2. Other Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Other Consumer/ Retail Loans	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
4. Corporate & Commercial Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Other Loans	350,980.5	306,426.0	23.40	292,428.0	22.93	298,337.0	22.03	285,798.0	21.42
6. Less: Loan Loss Allowances	13,097.7	11,435.0	0.87	12,525.0	0.98	14,815.0	1.09	15,366.0	1.15
7. Net Loans	**482,386.6**	**421,151.0**	**32.16**	**404,227.0**	**31.70**	**403,069.0**	**29.76**	**386,121.0**	**28.94**
8. Gross Loans	**495,484.3**	**432,586.0**	**33.04**	**416,752.0**	**32.68**	**417,884.0**	**30.85**	**401,487.0**	**30.09**
9. Memo: Impaired Loans included above	20,408.7	17,818.0	1.36	20,642.0	1.62	23,639.0	1.75	24,411.0	1.83
10. Memo: Specific Loan Loss Allowances	n.a.	n.a.	-	11,214.0	0.88	13,281.0	0.98	13,978.0	1.05
B. Other Earning Assets									
1. Loans and Advances to Banks	48,780.3	42,588.0	3.25	44,322.0	3.48	46,612.0	3.44	47,983.0	3.60
2. Reverse Repos and Securities Borrowing	198,963.0	173,706.0	13.27	138,962.0	10.90	189,125.0	13.96	178,987.0	13.41
3. Derivatives	154,881.1	135,220.0	10.33	148,754.0	11.67	187,182.0	13.82	207,590.0	15.56
4. Trading Securities and at FV through Income	129,360.4	112,939.0	8.63	128,418.0	10.07	134,502.0	9.93	153,184.0	11.48
5. Securities at FV through OCI / Available for Sale	57,299.8	50,026.0	3.82	53,489.0	4.19	61,646.0	4.55	59,314.0	4.45
6. Securities at Amortised Cost / Held to Maturity	13,774.6	12,026.0	0.92	3,563.0	0.28	3,912.0	0.29	4,044.0	0.30
7. Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Total Securities	**200,434.8**	**174,991.0**	**13.36**	**185,470.0**	**14.55**	**200,060.0**	**14.77**	**216,542.0**	**16.23**
9. Memo: Government Securities included Above	0.0	0.0	0.00	n.a.	-	n.a.	-	n.a.	-
10. Memo: Total Securities Pledged	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
11. Equity Investments in Associates	285.2	249.0	0.02	700.0	0.05	1,096.0	0.08	1,352.0	0.10
12. Investments in Property	19.5	17.0	0.00	638.0	0.05	630.0	0.05	656.0	0.05
13. Insurance Assets	168,108.2	146,768.0	11.21	141,907.0	11.13	122,664.0	9.06	116,803.0	8.75
14. Other Earning Assets	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
15. Total Earning Assets	**1,253,858.6**	**1,094,690.0**	**83.60**	**1,064,980.0**	**83.52**	**1,150,438.0**	**84.94**	**1,156,034.0**	**86.63**
C. Non-Earning Assets									
1. Cash and Due From Banks	110,628.5	96,585.0	7.38	114,404.0	8.97	96,186.0	7.10	78,565.0	5.89
2. Memo: Mandatory Reserves included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Foreclosed Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Fixed Assets	28,103.5	24,536.0	1.87	22,240.0	1.74	19,436.0	1.44	17,143.0	1.28
5. Goodwill	5,328.4	4,652.0	0.36	4,988.0	0.39	4,535.0	0.33	4,358.0	0.33
6. Other Intangibles	2,517.6	2,198.0	0.17	1,940.0	0.15	1,717.0	0.13	1,622.0	0.12
7. Current Tax Assets	1,221.0	1,066.0	0.08	1,236.0	0.10	1,091.0	0.08	1,439.0	0.11
8. Deferred Tax Assets	5,444.1	4,753.0	0.36	4,765.0	0.37	5,330.0	0.39	5,928.0	0.44
9. Discontinued Operations	15,465.2	13,502.0	1.03	13.0	0.00	4,252.0	0.31	171.0	0.01
10. Other Assets	77,252.7	67,446.0	5.15	60,562.0	4.75	71,437.0	5.27	69,131.0	5.18
11. Total Assets	**1,499,819.6**	**1,309,428.0**	**100.00**	**1,275,128.0**	**100.00**	**1,354,422.0**	**100.00**	**1,334,391.0**	**100.00**
Liabilities and Equity									
D. Interest-Bearing Liabilities									
1. Total Customer Deposits	457,484.4	399,410.0	30.50	394,228.0	30.92	397,355.0	29.34	360,087.0	26.99
2. Deposits from Banks	108,890.9	95,068.0	7.26	87,974.0	6.90	82,678.0	6.10	90,355.0	6.77
3. Repos and Securities Lending	139,327.7	121,641.0	9.29	128,393.0	10.07	155,227.0	11.46	172,857.0	12.95
4. Commercial Paper and Short-term Borrowings	58,473.8	51,051.0	3.90	45,692.0	3.58	52,068.0	3.84	50,221.0	3.76
5. Customer Deposits and Short-term Funding	**764,176.9**	**667,170.0**	**50.95**	**656,287.0**	**51.47**	**687,328.0**	**50.75**	**673,520.0**	**50.47**
6. Senior Unsecured Debt	46,260.4	40,388.0	3.08	34,143.0	2.68	26,634.0	1.97	30,491.0	2.29
7. Subordinated Borrowing	15,249.9	13,314.0	1.02	13,647.0	1.07	14,103.0	1.04	13,046.0	0.98
8. Covered Bonds	28,520.5	24,900.0	1.90	23,400.0	1.84	23,500.0	1.74	25,700.0	1.93
9. Other Long-term Funding	88,888.8	77,605.0	5.93	80,016.0	6.28	82,426.0	6.09	54,050.0	4.05
10. Total LT Funding	**178,919.6**	**156,207.0**	**11.93**	**151,206.0**	**11.86**	**146,663.0**	**10.83**	**123,287.0**	**9.24**
11. Memo: o/w matures in less than 1 year	n.a.	n.a.	-	n.a.	-	n.a.	-	0.0	0.00
12. Trading Liabilities	68,332.3	59,658.0	4.56	40,428.0	3.17	58,120.0	4.29	69,438.0	5.20
13. Total Funding	**1,011,428.8**	**883,035.0**	**67.44**	**847,921.0**	**66.50**	**892,111.0**	**65.87**	**866,245.0**	**64.92**
14. Derivatives	158,289.8	138,196.0	10.55	155,294.0	12.18	191,192.0	14.12	207,816.0	15.57
15. Total Funding and Derivatives	**1,169,718.6**	**1,021,231.0**	**77.99**	**1,003,215.0**	**78.68**	**1,083,303.0**	**79.98**	**1,074,061.0**	**80.49**
E. Non-Interest Bearing Liabilities									
1. Fair Value Portion of Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Credit impairment reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Reserves for Pensions and Other	5,274.6	4,605.0	0.35	6,117.0	0.48	5,687.0	0.42	5,218.0	0.39
4. Current Tax Liabilities	632.3	552.0	0.04	995.0	0.08	984.0	0.07	1,108.0	0.08
5. Deferred Tax Liabilities	693.0	605.0	0.05	667.0	0.05	460.0	0.03	463.0	0.03
6. Other Deferred Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Discontinued Operations	11,974.0	10,454.0	0.80	n.a.	-	3,612.0	0.27	526.0	0.04
8. Insurance Liabilities	148,378.6	129,543.0	9.89	130,958.0	10.27	112,777.0	8.33	107,257.0	8.04
9. Other Liabilities	87,770.9	76,629.0	5.85	69,139.0	5.42	81,893.0	6.05	83,083.0	6.23
10. Total Liabilities	**1,424,441.9**	**1,243,619.0**	**94.97**	**1,211,091.0**	**94.98**	**1,288,716.0**	**95.15**	**1,271,716.0**	**95.30**
F. Hybrid Capital									
1. Pref. Shares and Hybrid Capital accounted for as Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Pref. Shares and Hybrid Capital accounted for as Equity	11,350.9	9,910.0	0.76	9,366.0	0.73	10,479.0	0.77	9,572.0	0.72
G. Equity									
1. Common Equity	60,651.3	52,952.0	4.04	51,458.0	4.04	50,604.0	3.74	48,671.0	3.65
2. Non-controlling Interest	4,562.1	3,983.0	0.30	3,864.0	0.30	2,953.0	0.22	2,838.0	0.21
3. Securities Revaluation Reserves	569.3	497.0	0.04	1,027.0	0.08	1,199.0	0.09	1,495.0	0.11
4. Foreign Exchange Revaluation Reserves	(1,486.7)	(1,298.0)	(0.10)	(1,682.0)	(0.13)	397.0	0.03	12.0	0.00
5. Fixed Asset Revaluations and Other Accumulated OCI	(269.2)	(235.0)	(0.02)	4.0	0.00	74.0	0.01	87.0	0.01
6. Total Equity	**64,026.7**	**55,899.0**	**4.27**	**54,671.0**	**4.29**	**55,227.0**	**4.08**	**53,103.0**	**3.98**
7. Memo: Equity plus Pref. Shares and Hybrid Capital accounted for as Equity	75,377.7	65,809.0	5.03	64,037.0	5.02	65,706.0	4.85	62,675.0	4.70
8. Total Liabilities and Equity	**1,499,819.6**	**1,309,428.0**	**100.00**	**1,275,128.0**	**100.00**	**1,354,422.0**	**100.00**	**1,334,391.0**	**100.00**
9. Memo: Fitch Core Capital	49,000.2	42,780.0	3.27	41,240.0	3.23	42,815.0	3.16	41,013.0	3.07
Exchange rate		USD1 = EUR0.873057		USD1 = EUR0.83382		USD1 = EUR0.9487		USD1 = EUR0.9185	

Societe Generale S.A.
Summary Analytics

	31 Dec 2018 Year End	31 Dec 2017 Year End	31 Dec 2016 Year End	31 Dec 2015 Year End
A. Interest Ratios				
1. Interest Income/ Average Earning Assets	2.10	2.17	2.13	2.20
2. Interest Income on Loans/ Average Gross Loans	2.97	3.08	3.21	3.62
3. Interest Expense on Customer Deposits/ Average Customer Deposits	0.73	0.60	1.26	1.63
4. Interest Expense/ Average Interest-bearing Liabilities	1.15	1.27	1.37	1.47
5. Net Interest Income/ Average Earning Assets	1.03	0.98	0.84	0.85
6. Net Int. Inc Less Loan Impairment Charges/ Av. Earning Assets	0.93	0.90	0.69	0.65
7. Net Interest Inc Less Preferred Stock Dividend/ Average Earning Assets	1.03	0.98	0.84	0.85
B. Other Operating Profitability Ratios				
1. Operating Profit/ Risk Weighted Assets	1.68	1.39	1.93	1.44
2. Non-Interest Expense/ Gross Revenues	71.14	74.30	65.56	67.96
3. Loans and securities impairment charges/ Pre-impairment Op. Profit	13.71	21.55	23.33	37.40
4. Operating Profit/ Average Total Assets	0.49	0.37	0.50	0.38
5. Non-Interest Income/ Gross Revenues	55.70	54.52	61.30	59.66
6. Non-Interest Expense/ Average Total Assets	1.39	1.34	1.22	1.25
7. Pre-impairment Op. Profit/ Average Equity	13.39	11.41	16.69	14.73
8. Pre-impairment Op. Profit/ Average Total Assets	0.57	0.47	0.65	0.60
9. Operating Profit/ Average Equity	11.56	8.95	12.80	9.22
C. Other Profitability Ratios				
1. Net Income/ Average Total Equity	8.33	6.25	8.08	7.90
2. Net Income/ Average Total Assets	0.35	0.26	0.31	0.32
3. Fitch Comprehensive Income/ Average Total Equity	9.12	1.97	8.05	9.95
4. Fitch Comprehensive Income/ Average Total Assets	0.39	0.08	0.31	0.41
5. Taxes/ Pre-tax Profit	25.52	33.24	31.22	28.06
6. Net Income/ Risk Weighted Assets	1.21	0.97	1.22	1.23
D. Capitalization				
1. FCC/ FCC-Adjusted Risk Weighted Assets	11.79	12.18	12.49	11.86
2. Tangible Common Equity/ Tangible Assets	3.55	3.54	3.41	3.30
3. Equity/ Total Assets	4.27	4.29	4.08	3.98
4. Basel Leverage Ratio	4.20	4.30	4.20	4.00
5. Common Equity Tier 1 Capital Ratio	11.00	11.60	11.80	11.40
6. Fully Loaded Common Equity Tier 1 Capital Ratio	10.90	11.40	11.50	10.90
7. Tier 1 Capital Ratio	13.50	14.00	14.80	14.00
8. Total Capital Ratio	16.60	17.20	18.20	16.80
9. Impaired Loans less Loan Loss Allowances/ Fitch Core Capital	14.92	19.68	20.61	22.05
10. Impaired Loans less Loan Loss Allowances/ Equity	11.42	14.85	15.98	17.03
11. Cash Dividends Paid & Declared/ Net Income	39.00	62.16	46.22	42.18
12. Risk Weighted Assets/ Total Assets	28.72	27.71	26.25	26.73
13. Risk Weighted Assets - Standardised/ Risk Weighted Assets	n.a.	n.a.	n.a.	0.00
14. Risk Weighted Assets - Advanced Method/ Risk Weighted Assets	n.a.	n.a.	n.a.	0.00
E. Loan Quality				
1. Impaired Loans/ Gross Loans	4.12	4.95	5.66	6.08
2. Growth of Gross Loans	3.80	(0.27)	4.08	7.97
3. Loan Loss Allowances/ Impaired Loans	64.18	60.68	62.67	62.95
4. Loan Impairment Charges/ Average Gross Loans	0.25	0.22	0.42	0.60
5. Growth of Total Assets	2.69	(5.85)	1.50	2.00
6. Loan Loss Allowances/ Gross Loans	2.64	3.01	3.55	3.83
7. Net Charge-offs/ Average Gross Loans	0.53	0.67	0.53	0.81
8. Impaired Loans + Foreclosed Assets/ Gross Loans + Foreclosed Assets	4.12	4.95	5.66	6.08
F. Funding and Liquidity				
1. Loans/ Customer Deposits	108.31	105.71	105.17	111.50
2. Liquidity Coverage Ratio	129.00	140.00	142.00	124.00
3. Customer Deposits/ Total Funding (including Pref. Shares & Hybrids)	44.73	45.99	44.02	41.11
4. Interbank Assets/ Interbank Liabilities	44.80	50.38	56.38	53.10
5. Net Stable Funding Ratio	n.a.	n.a.	n.a.	n.a.
6. Growth of Total Customer Deposits	1.31	(0.79)	10.35	9.86

Societe Generale S.A.
Reference Data

	31 Dec 2018			31 Dec 2017		31 Dec 2016		31 Dec 2015	
	Year End USDm	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets
A. Off-Balance Sheet Items									
1. Managed Securitized Assets Reported Off-Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Other off-balance sheet exposure to securitizations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Guarantees	71,325.2	62,271.0	4.76	67,665.0	5.31	68,904.0	5.09	64,204.0	4.81
4. Acceptances and documentary credits reported off-balance sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Committed Credit Lines	250,656.0	218,837.0	16.71	201,987.0	15.84	182,820.0	13.50	192,807.0	14.45
6. Other Contingent Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Other Off-Balance Sheet items	43,600.8	38,066.0	2.91	25,711.0	2.02	31,063.0	2.29	30,015.0	2.25
8. Total Assets under Management	135,157.3	118,000.0	9.01	112,000.0	8.78	106,000.0	7.83	104,000.0	7.79
B. Average Balance Sheet									
1. Average Loans	484,318.9	422,838.0	32.29	415,587.0	32.59	409,232.3	30.21	388,409.6	29.11
2. Average Earning Assets	1,246,381.0	1,088,161.7	83.10	1,113,423.3	87.32	1,181,070.3	87.20	1,186,196.6	88.89
3. Average Total Assets	1,482,369.1	1,294,192.7	98.84	1,326,590.7	104.04	1,383,018.7	102.11	1,356,534.2	101.66
4. Average Managed Securitized Assets (OBS)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Average Interest-Bearing Liabilities	1,160,673.7	1,013,334.3	77.39	1,047,955.7	82.18	1,112,106.7	82.11	1,096,275.2	82.16
6. Average Common equity	59,402.4	51,861.7	3.96	50,990.3	4.00	49,456.0	3.65	51,335.6	3.85
7. Average Equity	62,682.0	54,725.0	4.18	54,855.7	4.30	53,709.0	3.97	55,617.8	4.17
8. Average Customer Deposits	455,638.1	397,798.0	30.38	395,012.3	30.98	378,795.0	27.97	351,074.8	26.31
C. Maturities									
Asset Maturities:									
Loans & Advances < 3 months	85,797.4	74,906.0	5.72	75,013.0	5.88	82,926.0	6.12	62,558.0	4.69
Loans & Advances 3 - 12 Months	80,440.3	70,229.0	5.36	66,271.0	5.20	58,473.0	4.32	57,987.0	4.35
Loans and Advances 1 - 5 Years	224,697.8	196,174.0	14.98	187,208.0	14.68	163,147.0	12.05	158,256.0	11.86
Loans & Advances > 5 years	91,451.1	79,842.0	6.10	75,735.0	5.94	98,523.0	7.27	107,320.0	8.04
Debt Securities < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	0.0	0.00
Debt Securities 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	0.0	0.00
Debt Securities 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	0.0	0.00
Debt Securities > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	0.0	0.00
Loans & Advances to Banks < 3 Months	34,646.1	30,248.0	2.31	32,398.0	2.54	29,346.0	2.17	33,479.0	2.51
Loans & Advances to Banks 3 - 12 Months	2,998.7	2,618.0	0.20	3,950.0	0.31	4,264.0	0.31	5,578.0	0.42
Loans & Advances to Banks 1 - 5 Years	5,284.9	4,614.0	0.35	6,826.0	0.54	11,299.0	0.83	7,969.0	0.60
Loans & Advances to Banks > 5 Years	5,850.7	5,108.0	0.39	1,148.0	0.09	1,703.0	0.13	957.0	0.07
Liability Maturities:									
Retail Deposits < 3 months	366,489.2	319,966.0	24.44	303,872.0	23.83	313,042.0	23.11	277,753.0	20.81
Retail Deposits 3 - 12 Months	41,265.3	36,027.0	2.75	21,602.0	1.69	29,867.0	2.21	29,249.0	2.19
Retail Deposits 1 - 5 Years	25,213.7	22,013.0	1.68	19,941.0	1.56	29,134.0	2.15	28,974.0	2.17
Retail Deposits > 5 Years	24,516.2	21,404.0	1.63	48,813.0	3.83	25,312.0	1.87	24,111.0	1.81
Other Deposits < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Deposits from Banks < 3 Months	31,222.5	27,259.0	2.08	47,562.0	3.73	50,686.0	3.74	58,811.0	4.41
Deposits from Banks 3 - 12 Months	30,421.8	26,560.0	2.03	12,080.0	0.95	9,699.0	0.72	6,309.0	0.47
Deposits from Banks 1 - 5 Years	23,062.6	20,135.0	1.54	22,863.0	1.79	20,225.0	1.49	22,364.0	1.68
Deposits from Banks > 5 Years	24,184.0	21,114.0	1.61	5,469.0	0.43	2,068.0	0.15	2,871.0	0.22
Senior Debt Maturing < 3 months	29,819.4	26,034.0	1.99	31,527.0	2.47	31,005.0	2.29	25,126.0	1.88
Senior Debt Maturing 3-12 Months	28,654.5	25,017.0	1.91	14,165.0	1.11	21,063.0	1.56	25,095.0	1.88
Senior Debt Maturing 1- 5 Years	42,778.4	37,348.0	2.85	37,802.0	2.96	35,437.0	2.62	41,542.0	3.11
Senior Debt Maturing > 5 Years	32,002.5	27,940.0	2.13	19,741.0	1.55	14,697.0	1.09	14,649.0	1.10
Total Senior Debt on Balance Sheet	**133,254.8**	**116,339.0**	**8.88**	**103,235.0**	**8.10**	**102,202.0**	**7.55**	**106,412.0**	**7.97**
Fair Value Portion of Senior Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing < 3 months	406.6	355.0	0.03	732.0	0.06	296.0	0.02	319.0	0.02
Subordinated Debt Maturing 3-12 Months	2.3	2.0	0.00	1,080.0	0.08	90.0	0.01	1,155.0	0.09
Subordinated Debt Maturing 1- 5 Year	59.6	52.0	0.00	634.0	0.05	2,302.0	0.17	2,613.0	0.20
Subordinated Debt Maturing > 5 Years	14,781.4	12,905.0	0.99	11,201.0	0.88	11,415.0	0.84	8,959.0	0.67
Total Subordinated Debt on Balance Sheet	**15,249.9**	**13,314.0**	**1.02**	**13,647.0**	**1.07**	**14,103.0**	**1.04**	**13,046.0**	**0.98**
Fair Value Portion of Subordinated Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
D. Risk Weighted Assets									
1. Risk Weighted Assets	430,726.7	376,049.0	28.72	353,306.0	27.71	355,478.0	26.25	356,725.0	26.73
2. Fitch Core Capital Adjustments for Insurance and Securitisation Risk Weighted Assets	(15,125.4)	(13,205.3)	(1.01)	(14,622.4)	(1.15)	(12,790.9)	(0.94)	(11,018.6)	(0.83)
3. Fitch Core Capital Adjusted Risk Weighted Assets	**415,601.4**	**362,843.7**	**27.71**	**338,683.6**	**26.56**	**342,687.1**	**25.30**	**345,706.4**	**25.91**
4. Other Fitch Adjustments to Risk Weighted Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Fitch Adjusted Risk Weighted Assets	**415,601.4**	**362,843.7**	**27.71**	**338,683.6**	**26.56**	**342,687.1**	**25.30**	**345,706.4**	**25.91**
E. Fitch Core Capital Reconciliation									
1. Total Equity as reported (including non-controlling interests)	64,026.7	55,899.0	4.27	54,671.0	4.29	55,227.0	4.08	53,103.0	3.98
2. Fair-value adjustments relating to own credit risk on debt issued	223.4	195.0	0.01	419.0	0.03	380.0	0.03	281.0	0.02
3. Non-loss-absorbing non-controlling interests	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
4. Goodwill	5,328.4	4,652.0	0.36	4,988.0	0.39	4,535.0	0.33	4,358.0	0.33
5. Other intangibles	2,517.6	2,198.0	0.17	1,940.0	0.15	1,717.0	0.13	1,622.0	0.12
6. Deferred tax assets deduction	3,315.9	2,895.0	0.22	2,970.0	0.23	3,083.0	0.23	3,413.0	0.26
7. Net asset value of insurance subsidiaries	4,087.9	3,569.0	0.27	3,952.0	0.31	3,457.0	0.26	2,978.0	0.22
8. First loss tranches of off-balance sheet securitizations	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
9. Fund for general banking risks if not already included and readily convertible into equity	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
10. Fitch Core Capital	**49,000.2**	**42,780.0**	**3.27**	**41,240.0**	**3.23**	**42,815.0**	**3.16**	**41,013.0**	**3.07**

Exchange Rate	USD1 = EUR0.873057	USD1 = EUR0.83382	USD1 = EUR0.9487	USD1 = EUR0.9185

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