

# **SOCIETE GENERALE GROUP RESULTS**

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3rd quarter and nine months 2019 | 06.11.2019

**THE FUTURE  
IS YOU**  **SOCIETE  
GENERALE**

# DISCLAIMER

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This presentation contains forward-looking statements relating to the targets and strategies of the Societe Generale Group.

These forward-looking statements are based on a series of assumptions, both general and specific, in particular the application of accounting principles and methods in accordance with IFRS (International Financial Reporting Standards) as adopted in the European Union, as well as the application of existing prudential regulations.

These forward-looking statements have also been developed from scenarios based on a number of economic assumptions in the context of a given competitive and regulatory environment. The Group may be unable to:

- anticipate all the risks, uncertainties or other factors likely to affect its business and to appraise their potential consequences;
- evaluate the extent to which the occurrence of a risk or a combination of risks could cause actual results to differ materially from those provided in this document and the related presentation.

Therefore, although Societe Generale believes that these statements are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, including matters not yet known to it or its management or not currently considered material, and there can be no assurance that anticipated events will occur or that the objectives set out will actually be achieved. Important factors that could cause actual results to differ materially from the results anticipated in the forward-looking statements include, among others, overall trends in general economic activity and in Societe Generale's markets in particular, regulatory and prudential changes, and the success of Societe Generale's strategic, operating and financial initiatives.

More detailed information on the potential risks that could affect Societe Generale's financial results can be found in the Universal Registration Document filed with the French Autorité des Marchés Financiers.

Investors are advised to take into account factors of uncertainty and risk likely to impact the operations of the Group when considering the information contained in such forward-looking statements. Other than as required by applicable law, Societe Generale does not undertake any obligation to update or revise any forward-looking information or statements. Unless otherwise specified, the sources for the business rankings and market positions are internal.

The financial information presented for the quarter and nine months ending 30 September 2019 was reviewed by the Board of Directors on 5 November 2019 and has been prepared in accordance with IFRS as adopted in the European Union and applicable at this date. This information has not been audited.

The comparative figures presented in this document have been restated for the application of IAS 12 amendment. As a consequence, the tax effect on interest paid to holders of deeply subordinated notes & undated subordinated notes is now accounted in the profit and loss of the period on « Income tax ». See supplement.

**1**

# **INTRODUCTION**



# Q3 19 AND 9M 19 HIGHLIGHTS



## WELL ON TRACK ON CAPITAL TRAJECTORY

**CET1 ratio at 12.5%, including EUR 1.65 cash dividend per share provision for 9M 19**

Global Markets **EUR 8bn** RWA reduction 2020 target met

RWA optimisation through securitisations (+15bp impact on CET1)

Refocusing programme on track with +10bp related to closings in Q3 19

**Leverage ratio at 4.4%**

**TLAC at 27.0%, already MREL compliant**



## WORKING ON PROFITABILITY

**Operating expenses<sup>(1)</sup>: -1.3% vs. Q3 18**

More than 55% of EUR 1.1bn Group cost reduction program completed

EUR 500m cost savings in Global Banking and Investor Solutions secured in 2019, full benefit in 2020

**Group net income<sup>(1)</sup> at EUR 855m in Q3 19, 6.1% ROTE<sup>(1)</sup> (EUR 3,183m in 9M 19, 8.1% ROTE<sup>(1)</sup>)**



## SOLID RISK PROFILE

**Cost of risk at 26bp in Q3 19 (24bp in 9M 19)**

**NPL ratio at 3.4%, gross coverage ratio at 55%**

**2019 funding programme achieved at good conditions**

**CET1 RATIO AT 12.5%, 9M 19 ROTE<sup>(1)</sup> AT 8.1%**

(1) Underlying data: adjusted for exceptional items and IFRIC 21 linearisation. See supplement.

# A LEADER IN CLIMATE ACTION



## SUPPORTING THE ENERGY TRANSITION

**No.1 bank worldwide in Environment** and No.6 bank in Europe across all ESG criteria (RobecoSAM 2019)

New commitment of **EUR 120bn** to support the energy transition 2019-2023 and scheduled **exit from thermal coal**

More than doubled funding towards **renewable energy** in 2 years to **EUR 23.1bn**

Applying the highest environmental standards to **decarbonizing the shipping industry**, through **Poseidon Principles** and **Getting to Zero Coalition**



## APPLYING INNOVATION TO DEFINE NEW MARKET STANDARDS

**Re-allocating capital for Positive Impact projects** : USD 3.4bn impact investment risk transfer transaction with Mariner

Sole swap counterparty in **world's first Sustainable Development Goal (SDG)-linked cross currency swap**, and joint bookrunner on Enel's first global bond issue of USD 1.5bn linked to SDGs

Systematic **integration of ESG analysis in all equity research**, alongside financial analysis



## FOSTERING RESPONSIBILITY

**Founding signatory to the Principles for Responsible Banking**

aligning business strategies to the UN SDGs and climate goals of the Paris Agreement

**Joined the Collective Commitment on Climate** aligning our loan portfolios to a low carbon and climate-resilient society within 3 years

**Lyxor** new **Climate Policy** placing climate issues at the core of its responsible investment strategy

# **2 GROUP PERFORMANCE**



# Q3 19 AND 9M 19 GROUP PERFORMANCE



## FRENCH RETAIL BANKING

### Revenues

**+0.2% excl. PEL/CEL** vs. Q3 18  
-0.3%, excl. PEL/CEL, vs. 9M 18

Revenues supported by improving net interest margin

Strong cost control while investing in transformation

Confirming revenue and cost guidance for 2019

### RONE<sup>(1)</sup>

**12.0% in Q3 19**  
**11.7% in 9M 19**

## INTERNATIONAL RETAIL BANKING

### Revenues

**+4.8%\*** vs. Q3 18  
+6.6%\* vs. 9M 18

Good commercial trend, increase in revenues driven by dynamic commissions and volume effect in all regions

Positive jaws

### RONE<sup>(1)</sup>

**16.4% in Q3 19**  
**16.4% in 9M 19**

## INSURANCE AND FINANCIAL SERVICES

### Revenues

**+1.7%\*** vs. Q3 18  
+3.0%\* vs. 9M 18

Steady growth in insurance

Dynamic fleet growth in all regions for ALD

Increasing margin in Equipment Finance

### RONE<sup>(1)</sup>

**20.9% in Q3 19**  
**20.9% in 9M 19**

## GLOBAL BANKING AND INVESTOR SOLUTIONS

### Revenues

**-7.6%** vs. Q3 18 (-3.2% at constant scope<sup>(2)</sup>)  
-4.2% vs. 9M 18 (-2.0%<sup>(2)</sup>)

Solid financing and transaction banking activities, lower revenues in Global Markets and investment banking

Decrease in costs

### RONE<sup>(1)</sup>

**5.1% in Q3 19**  
**7.7% in 9M 19**

## CORPORATE CENTRE

### EUR -66m

Q3 19 Gross operating income

IFRS 5 impact of closings Serbia, Moldova and Montenegro (EUR -113m)

### EUR -223m

Q3 19 Contribution to Group net income

**Q3 19 Revenues EUR 6.0bn, Q3 19 Group net income<sup>(1)</sup> at EUR 855m**

(1) Underlying data: adjusted for exceptional items, IFRIC 21 linearisation and PEL/CEL provision for French Retail Banking. See supplement.

(2) Adjusted for restructuring (run-off activities, deleveraging) and disposals (Private Banking in Belgium)

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

# CET1 AT 12.5%

**CET1<sup>(1)</sup> UP +46bp AT 12.5%,**  
 >200 bp buffer over MDA

**LEVERAGE RATIO AT 4.4%**

**TLAC<sup>(3)</sup> RATIO: 27.0% OF RWA**

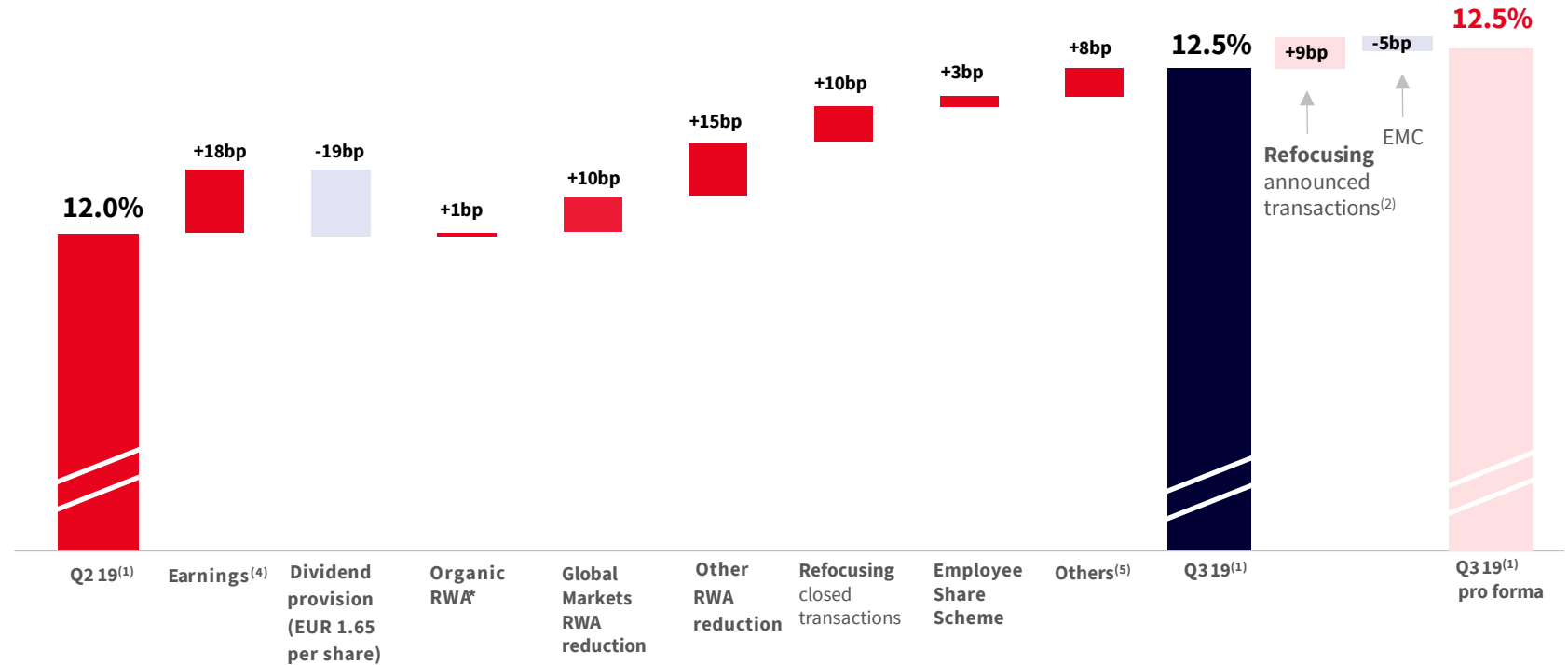
**ALREADY MREL COMPLIANT**

**LIQUID ASSET BUFFER**

EUR 193bn at end-September 19

**LCR AND NSFR** above 100%

\_Q3 19: change in fully-loaded CET1<sup>(1)</sup> ratio (in bp)



(1) Fully-loaded, based on CRR/CRD4 rules, including the Danish compromise for Insurance. See Methodology.

(2) Estimated impact at signing date, excluding IFRS 5 impact

(3) Including 2.5% of Senior Preferred debt.

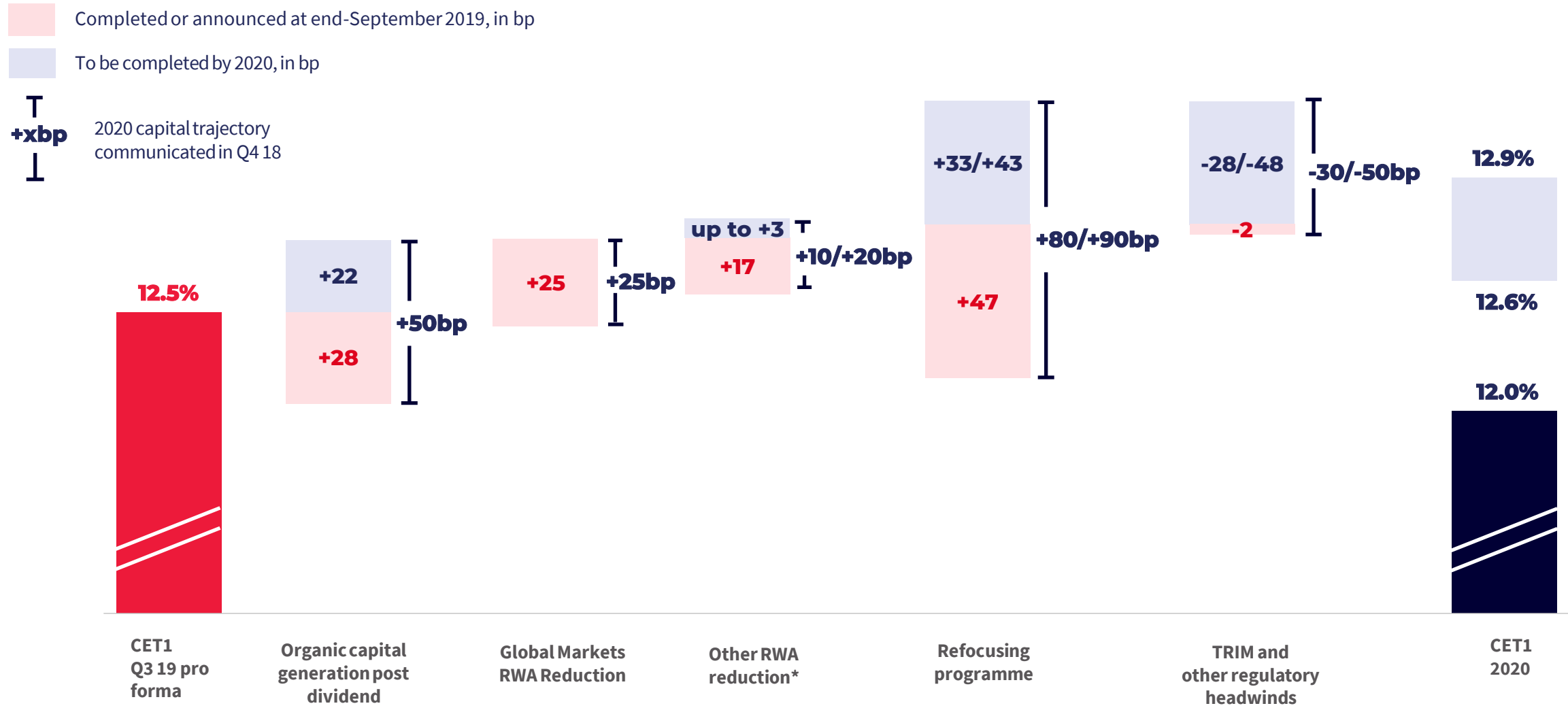
(4) Including -6bps of hybrid coupons

(5) o/w TRIM (+2bp)

\* when adjusted for changes in Group structure and at constant exchange rates



# ON TRACK TO DELIVER OUR 2020 12% CET1 TARGET



\* Securitisation, risk transfer, OTD, insurance

# 9M 19 COST OF RISK AT THE LOW END OF GUIDANCE DYNAMIC MANAGEMENT OF NPL

\_Cost of risk<sup>(1)</sup> (in bp)

9M 18 Q3 18 Q4 18 Q1 19 Q2 19 Q3 19 9M 19

## GROUP



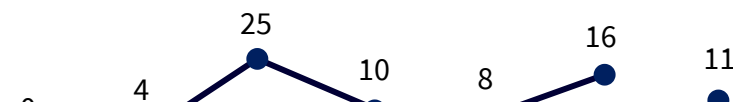
## FRENCH RETAIL BANKING



## INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES

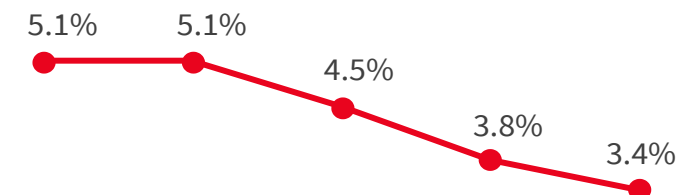


## GLOBAL BANKING AND INVESTOR SOLUTIONS



## NON-PERFORMING LOAN RATIO

SEPT 15 SEPT 16 SEPT 17 SEPT 18 SEPT 19



**GROSS COVERAGE RATE:** 55% at end-Sept. 19

**CONFIRMING 2019 GUIDANCE: COST OF RISK BETWEEN 25BP AND 30BP**

(1) Outstandings at beginning of period. Annualised.

# GROUP RESULTS

## RESILIENT REVENUES

9M 19 Revenues from businesses: -1.3%\* vs. 9M 18

## OPERATING EXPENSES DOWN

-1.4%\* vs. 9M 18

## NET PROFITS OR LOSSES FROM OTHER ASSETS

Impact of IFRS 5 of refocusing programme (EUR -113m)

<i>In EUR m</i>	Q3 19	Q3 18	Change		9M 19	9M 18	Change	
<b>Net banking income</b>	<b>5,983</b>	<b>6,530</b>	<b>-8.4%</b>	<b>-7.7%*</b>	<b>18,458</b>	<b>19,278</b>	<b>-4.3%</b>	<b>-4.0%*</b>
<b>Operating expenses</b>	<b>(4,165)</b>	<b>(4,341)</b>	<b>-4.1%</b>	<b>-3.3%*</b>	<b>(13,224)</b>	<b>(13,473)</b>	<b>-1.8%</b>	<b>-1.4%*</b>
<i>Underlying operating expenses(1)</i>	<i>(4,317)</i>	<i>(4,374)</i>	<i>-1.3%</i>	<i>-0.5%*</i>	<i>(12,816)</i>	<i>(12,968)</i>	<i>-1.2%</i>	<i>-0.7%*</i>
<b>Gross operating income</b>	<b>1,818</b>	<b>2,189</b>	<b>-16.9%</b>	<b>-16.5%*</b>	<b>5,234</b>	<b>5,805</b>	<b>-9.8%</b>	<b>-10.0%*</b>
<i>Underlying gross operating income(1)</i>	<i>1,666</i>	<i>2,156</i>	<i>-22.7%</i>	<i>-22.4%*</i>	<i>5,642</i>	<i>6,310</i>	<i>-10.6%</i>	<i>-10.8%*</i>
<b>Net cost of risk</b>	<b>(329)</b>	<b>(264)</b>	<b>+24.6%</b>	<b>+26.1%*</b>	<b>(907)</b>	<b>(642)</b>	<b>+41.3%</b>	<b>+44.6%*</b>
<i>Underlying net cost of risk (1)</i>	<i>(329)</i>	<i>(264)</i>	<i>+24.6%</i>	<i>+26.1%*</i>	<i>(889)</i>	<i>(642)</i>	<i>+38.5%</i>	<i>+41.6%*</i>
<b>Operating income</b>	<b>1,489</b>	<b>1,925</b>	<b>-22.6%</b>	<b>-22.3%*</b>	<b>4,327</b>	<b>5,163</b>	<b>-16.2%</b>	<b>-16.6%*</b>
<i>Underlying operating income(1)</i>	<i>1,337</i>	<i>1,892</i>	<i>-29.3%</i>	<i>-29.1%*</i>	<i>4,753</i>	<i>5,668</i>	<i>-16.1%</i>	<i>-16.5%</i>
<b>Net profits or losses from other assets</b>	<b>(71)</b>	<b>2</b>	<b>n/s</b>	<b>n/s</b>	<b>(202)</b>	<b>(39)</b>	<b>n/s</b>	<b>n/s</b>
Income tax	(389)	(464)	-16.2%	-15.1%*	(1,034)	(1,229)	-15.9%	-16.6%*
<b>Reported Group net income</b>	<b>854</b>	<b>1,309</b>	<b>-34.8%</b>	<b>-34.8%*</b>	<b>2,594</b>	<b>3,436</b>	<b>-24.5%</b>	<b>-24.8%*</b>
<b>Underlying Group net income(1)</b>	<b>855</b>	<b>1,327</b>	<b>-35.6%</b>	<b>-35.6%*</b>	<b>3,183</b>	<b>3,917</b>	<b>-18.7%</b>	<b>-18.9%*</b>
ROE	5.3%	9.3%			5.5%	8.1%		
ROTE	6.1%	10.9%			6.7%	9.6%		
<b>Underlying ROTE (1)</b>	<b>6.1%</b>	<b>11.0%</b>			<b>8.1%</b>	<b>11.0%</b>		

(1) Underlying data: adjusted for exceptional items and IFRIC 21 linearisation. See Methodology and Supplement p.30

Note: 2018 figures restated for IAS 12 impact of tax effect on interest paid to holders of deeply subordinated notes & undated subordinated notes (EUR +75m for Q3 18 and EUR +196m for 9M 18) in "Income tax" and "Group net income". See supplement.

\*when adjusted for changes in Group structure and at constant exchange rates

# **3 BUSINESS PERFORMANCE**



# DEVELOPING CORE FRANCHISES IN FRENCH RETAIL BANKING

## DEVELOPING CLIENT FRANCHISE



Named as **Best customer service** within Banks\*



**+1%**

# of companies vs. Q3 18



**+3%**

# of wealthy and mass affluent clients vs. Q3 18



**>2m**

Boursorama clients as of 30 Sep 2019

**INDIVIDUAL  
CLIENT LOAN  
OUTSTANDINGS**

**+5% vs. Q3 18**

**MEDIUM-TERM  
CORPORATE LOAN  
OUTSTANDINGS**

**+7% vs. Q3 18**

## ADAPTING SET UP LEVERAGING ON DIGITAL



**110** Pro corners as of 30 September 19

**16** Business centres as of 30 September 19

Societe Generale network adaptation well on track, **72%** of 2020 target achieved

**~80%** of Corporate & Professional credit management after origination is dematerialised



**~45%** of clients use 'electronic signatures' for consumer loans when eligible



Ranked **#1** bank in Digital Transformation Maturity, Strategic Continuity Award for the digital transformation\*\*

**PRIVATE BANKING**

AuM

**EUR 68bn**

Q3 19 Net inflows

**EUR 1.1bn**

**LIFE INSURANCE**

Outstandings

**EUR 95bn**

Q3 19 Net inflows

**+9% vs. Q3 18**

\*Viséo Customer Insights, for Societe Generale Network

\*\* ECac40 awards 2019

# FRENCH RETAIL BANKING RESULTS

## REVENUES<sup>(1)</sup> TREND CONFIRMING GUIDANCE BETWEEN 0% AND -1% FOR THE YEAR

Q3 19 revenues<sup>(1)</sup> +0.2% vs. Q3 18 (-0.3% vs. 9M 18)

**Net interest income<sup>(1)</sup>** +2.9% vs. Q3 18 (+0.4% vs 9M 18) supported by positive volumes and price effects

**Fees<sup>(3)</sup>** -4.2% vs. Q3 18 (-2.3% vs. 9M 18)  
Decrease in fees notably impacted by French banking industry commitment measures

## COSTS UNDER CONTROL, IN LINE WITH GUIDANCE

Operating expenses +1.3% vs. Q3 18 and +0.2% vs. 9M 18, confirming 2019 cost guidance between +1% and +2% vs. 2018

## LOW COST OF RISK AT 19bp IN Q3 19

Reflecting portfolio quality

<i>In EUR m</i>	Q3 19	Q3 18	Change	9M 19	9M 18	Change
Net banking income	1,879	1,949	-3.6%	5,789	5,948	-2.7%
<i>Net banking income excl. PEL/CEL</i>	1,945	1,942	+0.2%	5,894	5,913	-0.3%
Operating expenses	(1,375)	(1,358)	+1.3%	(4,209)	(4,199)	+0.2%
<b>Gross operating income</b>	<b>504</b>	<b>591</b>	<b>-14.7%</b>	<b>1,580</b>	<b>1,749</b>	<b>-9.7%</b>
<i>Gross operating income excl. PEL/CEL</i>	570	584	-2.3%	1,685	1,714	-1.7%
Net cost of risk	(95)	(119)	-20.2%	(318)	(346)	-8.1%
<b>Operating income</b>	<b>409</b>	<b>472</b>	<b>-13.3%</b>	<b>1,262</b>	<b>1,403</b>	<b>-10.0%</b>
<b>Reported Group net income</b>	<b>311</b>	<b>320</b>	<b>-2.8%</b>	<b>901</b>	<b>955</b>	<b>-5.7%</b>
RONE	11.0%	11.4%		10.6%	11.3%	
<b>Underlying RONE (2)</b>	<b>12.0%</b>	<b>10.6%</b>		<b>11.7%</b>	<b>11.3%</b>	

## 9M 19 RONE<sup>(2)</sup>: 11.7%

(1) Excluding PEL/CEL provision

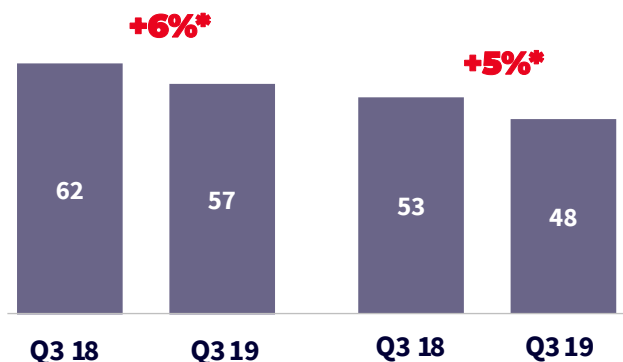
(2) Underlying data : adjusted for IFRIC 21 linearisation, PEL/CEL provision. See supplement.

(3) Fees includes revenues from insurance previously reported in "Other Income". See supplement p.47

# GOOD MOMENTUM ACROSS REGIONS IN INTERNATIONAL RETAIL BANKING

## EUROPE

\_Loan Outstandings (EUR bn) \_Deposit Outstandings (EUR bn)

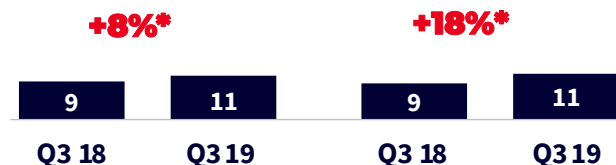


Revenues up **+2.1%\*** vs. Q3 18

**Strong commercial dynamism** in all regions, with in particular a good performance in car financing

## RUSSIA<sup>(1)</sup>

\_Loan Outstandings (EUR bn) \_Deposit Outstandings (EUR bn)

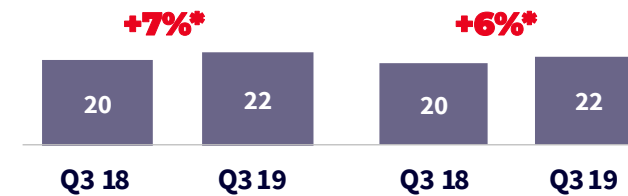


Revenues up **+3.2%\*** vs. Q3 18

High increase in retail loan outstandings with a **double-digit growth in car loans and mortgages**

## AFRICA AND OTHER

\_Loan Outstandings (EUR bn) \_Deposit Outstandings (EUR bn)



Revenues up **+10.0%\*** vs. Q3 18

**Solid momentum** in **corporate** segment, as well as in **retail**  
Deposit collection in line with loan increase

**Q3 19 GROUP NET INCOME EUR 281m, RONE 16.4%<sup>(2)</sup>**

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

(1) SG Russia scope

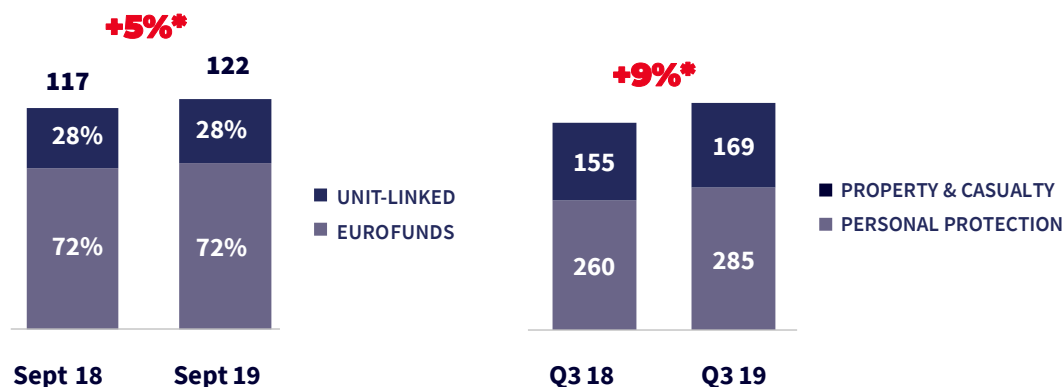
(2) adjusted for IFRIC 21 linearisation

# HIGH PROFITABILITY IN INSURANCE AND FINANCIAL SERVICES

## SUSTAINED REVENUE GROWTH IN INSURANCE

\_Life Insurance Outstandings (EURbn)

\_Protection Premiums (EURm)



Revenues up **+4.6%** vs. Q3 18

**Strong increase** in life insurance net inflows (+46%\* vs. Sept 18)

**Good dynamism in** protection activities with **high international growth**

## GOOD MOMENTUM IN FINANCIAL SERVICES

\_ALD Total fleet ('000 000)

\_SGEF Loan and Lease Outstandings<sup>(2)</sup> (EURbn)



Revenues up **+2.4%** vs. Q3 18

**ALD: Funded fleet up 8.0%** vs. end Sept 18<sup>(3)</sup> at 1.4 million. Car Sales Result as expected

**SGEF:** confirmation of **superior margin** for new business

**Q3 19 GROUP NET INCOME EUR 232m, RONE 20.9%<sup>(1)</sup>**

\* When adjusted for changes in Group structure and at constant exchangerates.

(1) Adjusted for IFRIC 21 linearisation

(2) Excluding factoring

(3) Including integration of Stern Lease, representing +1.1% of Funded fleet growth



# INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES RESULTS

## STEADY REVENUE GROWTH

+5.4%\* in 9M 19

## POSITIVE JAW EFFECT IN 9M 19

Operating expenses +4.5%\* vs. 9M 18, adjusted for restructuring provision (EUR 29m in Q2 19)

## PROGRESSIVE NORMALISATION OF COST OF RISK

49bp in Q3 19, 42bp in 9M 19

<i>In EUR m</i>	Q3 19	Q3 18	Change		9M 19	9M 18	Change	
Net banking income	2,096	2,092	+0.2%	+3.7%*	6,296	6,156	+2.3%	+5.4%*
Operating expenses	(1,091)	(1,100)	-0.8%	+3.0%*	(3,440)	(3,381)	+1.7%	+5.4%*
<b>Gross operating income</b>	<b>1,005</b>	<b>992</b>	<b>+1.3%</b>	<b>+4.5%*</b>	<b>2,856</b>	<b>2,775</b>	<b>+2.9%</b>	<b>+5.3%*</b>
Net cost of risk	(169)	(124)	+36.3%	+38.8%*	(430)	(290)	+48.3%	+56.3%*
<b>Operating income</b>	<b>836</b>	<b>868</b>	<b>-3.7%</b>	<b>-0.5%*</b>	<b>2,426</b>	<b>2,485</b>	<b>-2.4%</b>	<b>-0.4%*</b>
Net profits or losses from other assets	1	2	-50.0%	-35.7%	2	6	-66.7%	-60.9%*
<b>Reported Group net income</b>	<b>513</b>	<b>532</b>	<b>-3.6%</b>	<b>+0.2%*</b>	<b>1,492</b>	<b>1,502</b>	<b>-0.7%</b>	<b>+1.7%*</b>
RONE	18.7%	18.9%			17.8%	17.6%		
<b>Underlying RONE (1)</b>	<b>18.1%</b>	<b>18.2%</b>			<b>18.2%</b>	<b>17.9%</b>		

**9M 19 RONE<sup>(1)</sup>: 18.2%**

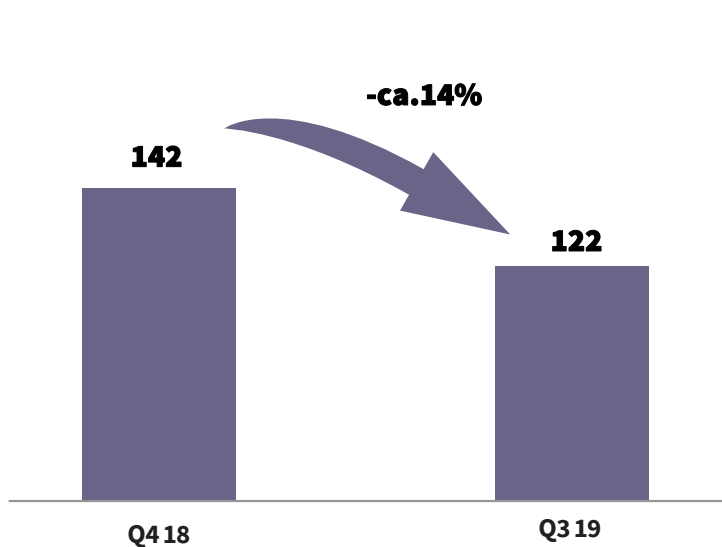
\* When adjusted for changes in Group structure and at constant exchange rates

(1) Adjusted for IFRIC 21 linearisation and EUR 29m restructuring provision for 9M 19

# SOUND BUSINESS PERFORMANCE AS WE RESTRUCTURE GLOBAL BANKING & INVESTOR SOLUTIONS

## DELEVERAGING COMPLETED

\_Global Banking and Investor Solutions risk-weighted assets (in EUR bn)

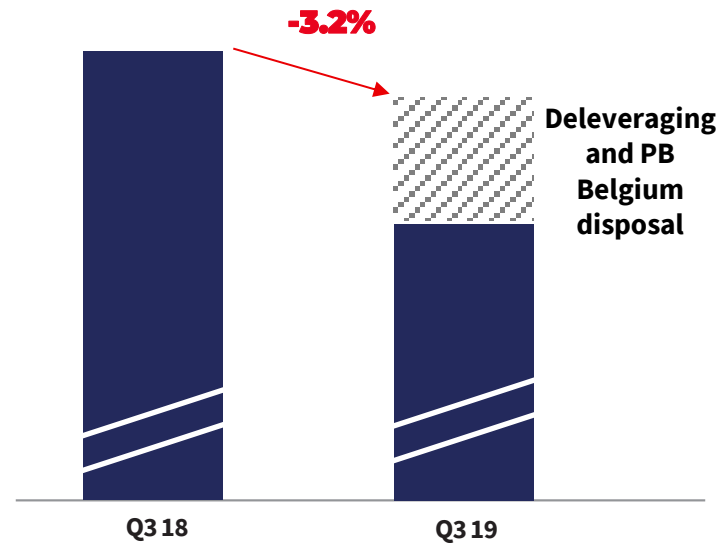


**EUR ca.20bn** Global Banking and Investor Solutions RWA reduction in Q3 19 vs. Q4 18

**2020 RWA reduction target met: EUR 10bn of which EUR 8bn in Global Markets**

## RESILIENT REVENUES

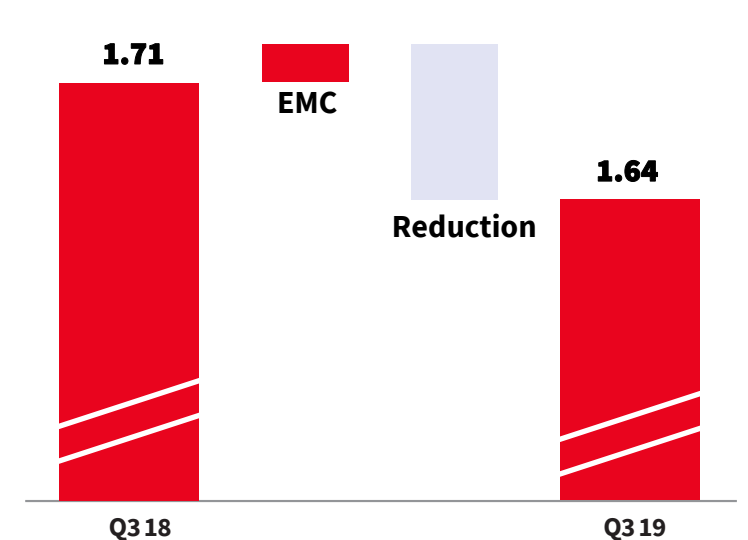
\_Global Banking and Investor Solutions revenues (in EUR m)



**Adjusted revenues -3.2% vs. Q3 18, -2.0% vs. 9M 18,** adjusted for deleveraging and Belgium disposal in Private Banking

## LOWER OPERATING EXPENSES

\_Global Banking and Investor Solutions operating expenses (in EUR bn)



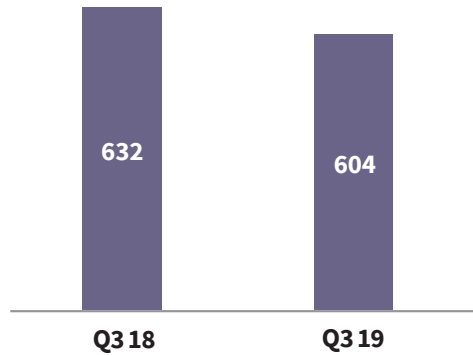
**Operating expenses -4.2% vs. Q3 18, -3.1% vs. 9M 18** adjusted for restructuring costs and EMC integration costs

**On track** to deliver **ca.30%** of EUR 500m cost savings **in 2019, 100% in 2020**

# SOLID IN STRUCTURED FINANCE AND TRANSACTION BANKING, LOWER REVENUES IN GLOBAL MARKETS

**FINANCING & ADVISORY: -4% VS. Q3 18, +5% VS. 9M 18  
-2% vs. Q3 18 ADJ. FOR RWA REDUCTION MEASURES**

\_Financing & Advisory Revenues (EUR m)



**Structured Finance and Transaction Banking +7%:** solid level of activity in structured finance, transaction banking growth initiatives delivering

**Investment Banking:** lower revenues vs. Q3 18, which included several large deals

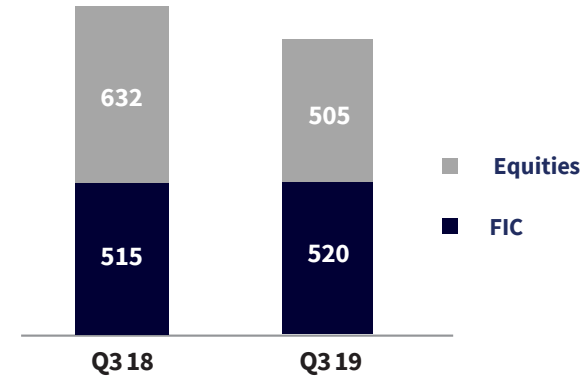
**Corporate Lending:** revenues impacted by deleveraging

**ASSET & WEALTH MANAGEMENT: -1% VS. 9M 18  
ADJUSTED FOR BELGIUM DISPOSAL (-3% VS. Q3 18)**

Good private banking inflows in France

**GLOBAL MARKETS & INVESTOR SERVICES: -9% VS. Q3 18  
-4% vs. Q3 18 EXCLUDING ACTIVITIES IN RUN-OFF**

\_Global Markets Revenues (EUR m)



**First full quarter of revenue impact from business closures**

**FIC: +1% vs. Q3 18:** strong client activity in financing and rates and credit, offsetting impact of business closures

**Equities: -20% vs. Q3 18:** lower client activity, adverse market conditions in August

**Securities Services: +1% vs. Q3 18**

# GLOBAL BANKING AND INVESTOR SOLUTIONS RESULTS

## REVENUES -7.6% vs. Q3 18 (-4.2% vs. 9M 18)

-3.2% vs. Q3 18 (-2.0% vs. 9M 18) adjusted for restructuring (run-off activities, deleveraging) and disposals (Private Banking in Belgium)

## First full quarter of lost revenues from business closures

Solid performance of structured finance and transaction banking activities, lower revenues in Global Markets and investment banking

## OPERATING EXPENSES -4.2% vs. Q3 18

-3.1% vs. 9M 18 adjusted for restructuring costs and EMC integration costs

<i>In EUR m</i>	Q3 19	Q3 18	Change		9M 19	9M 18	Change	
Net banking income	2,013	2,178	-7.6%	-8.5%*	6,518	6,805	-4.2%	-5.9%*
Operating expenses	(1,638)	(1,710)	-4.2%	-4.7%*	(5,579)	(5,462)	+2.1%	+1.1%*
<b>Gross operating income</b>	<b>375</b>	<b>468</b>	<b>-19.9%</b>	<b>-21.9%*</b>	<b>939</b>	<b>1,343</b>	<b>-30.1%</b>	<b>-33.2%*</b>
Net cost of risk	(65)	(15)	x 4,3	x 4,6	(140)	5	n/s	n/s
<b>Operating income</b>	<b>310</b>	<b>453</b>	<b>-31.6%</b>	<b>-33.5%*</b>	<b>799</b>	<b>1,348</b>	<b>-40.7%</b>	<b>-43.4%*</b>
<b>Reported Group net income</b>	<b>253</b>	<b>345</b>	<b>-26.7%</b>	<b>-28.7%*</b>	<b>667</b>	<b>1,018</b>	<b>-34.5%</b>	<b>-37.4%*</b>
RONE	6.9%	8.7%			5.7%	8.9%		
<b>Underlying RONE (1)</b>	<b>5.1%</b>	<b>6.9%</b>			<b>7.7%</b>	<b>9.5%</b>		

## 9M 19 RONE<sup>(1)</sup>: 7.7%

(1) Adjusted for IFRIC 21 linearisation and restructuring provision for 9M 19

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

# CORPORATE CENTRE

## GROSS OPERATING INCOME

EUR -66m in Q3 19, EUR -141m in 9M 19

## NET PROFITS OR LOSSES FROM OTHER ASSETS

Effect of IFRS 5 on refocusing programme:  
Closing of Societe Generale Serbia, Mobiasbanca (Moldova) and Societe Generale Montenegro for EUR -113m

<i>In EUR m</i>	Q3 19	Q3 18	9M 19	9M 18
Net banking income	(5)	311	(145)	369
Operating expenses	(61)	(173)	4	(431)
<b>Gross operating income</b>	<b>(66)</b>	<b>138</b>	<b>(141)</b>	<b>(62)</b>
Net cost of risk	0	(6)	(19)	(11)
Net profits or losses from other assets	(115)	1	(249)	(31)
<b>Reported Group net income</b>	<b>(223)</b>	<b>112</b>	<b>(466)</b>	<b>(39)</b>

Note: 2018 figures restated for IAS 12 impact of tax effect on interest paid to holders of deeply subordinated notes & undated subordinated notes (EUR +75m for Q3 18 and EUR +196m for 9M 18) on « Income tax » and « Group net income ». See supplement.

# 4 CONCLUSION



# FOCUSED ON DELIVERY

**COMFORTABLE  
CAPITAL BUFFER**



**12.5%** CET1 ratio

Buffer over MDA **above 200bp**

**3/4 of EUR 2.20** per share cash dividend already provisionned

**RETAIL AND FINANCIAL  
SERVICES ARE  
DELIVERING**



**11.7%** 9M 19 RONE<sup>(1)</sup> in French Retail Banking



**16.4%** 9M 19 RONE<sup>(1)</sup> in International Retail Banking



**20.9%** 9M 19 RONE<sup>(1)</sup> in Insurance and Financial Services

**GOOD PROGRESS ON  
GBIS RESTRUCTURING**



**7.7%** 9M 19 RONE<sup>(1)</sup> in Global Banking and Investor Solutions

EUR **20bn RWA reduction** over 9 months

EUR 500m cost savings plan secured in 2019, full benefit in 2020

(1) Underlying data: adjusted for exceptional items, IFRIC 21 linearisation and PEL/CEL provision for French Retail Banking. See supplement.

**SAVE THE DATE – 20 NOVEMBER 2019**

# DEEP DIVE

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**INTERNATIONAL RETAIL  
BANKING**



**INSURANCE AND  
FINANCIAL SERVICES**

**THE FUTURE  
IS YOU**



**SOCIETE  
GENERALE**



**5**

**SUPPLEMENT**

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# RESPONSIBILITY AT THE HEART OF BUSINESS DEVELOPMENT

## CLIMATE CHANGE

Leveraging structuring and financing expertise to accelerate the energy transition

**EUR 120bn** commitment 2019-23

## RESPONSIBLE EMPLOYER

Promoting a corporate culture based on shared values

**No.5** in gender equality\*

## SUSTAINABLE CITIES

Applying innovation to create new models

Founding co-partner of the

**Netexplo Smart Cities Accelerator**;

launch of **LaVilleE+**® start-up

\* European financials, Equileap 2019

\*\* Viséo Customer Insights, for the 7th year



## CLIENT SATISFACTION

Delivering the best service, with digital efficiency

**Client Service of the Year 2020** \*\*

## GROW WITH AFRICA

Promoting sustainable development

**3 year partnership** signed with Global Fund to Fight AIDS, Tuberculosis and Malaria

## CULTURE & CONDUCT

Reinforcing a culture of responsibility

**93%** of active employees worldwide trained on the appropriation of the Group Code of Conduct through **16,000 workshops**

# GROUP QUARTERLY INCOME STATEMENT BY CORE BUSINESS

In EURm	French Retail Banking		International Retail Banking and Financial Services		Global Banking and Investor Solutions		Corporate Centre		Group	
	Q3 19	Q3 18	Q3 19	Q3 18	Q3 19	Q3 18	Q3 19	Q3 18	Q3 19	Q3 18
Net banking income	1,879	1,949	2,096	2,092	2,013	2,178	(5)	311	5,983	6,530
Operating expenses	(1,375)	(1,358)	(1,091)	(1,100)	(1,638)	(1,710)	(61)	(173)	(4,165)	(4,341)
Gross operating income	504	591	1,005	992	375	468	(66)	138	1,818	2,189
Net cost of risk	(95)	(119)	(169)	(124)	(65)	(15)	0	(6)	(329)	(264)
Operating income	409	472	836	868	310	453	(66)	132	1,489	1,925
Net income from companies accounted for by the equity method	2	4	7	5	1	1	0	4	10	14
Net profits or losses from other assets	41	(1)	1	2	2	0	(115)	1	(71)	2
Impairment losses on goodwill	0	0	0	0	0	0	0	0	0	0
Income tax	(141)	(155)	(201)	(219)	(54)	(102)	7	12	(389)	(464)
O.w. non controlling Interests	0	0	130	124	6	7	49	37	185	168
<b>Group net income</b>	<b>311</b>	<b>320</b>	<b>513</b>	<b>532</b>	<b>253</b>	<b>345</b>	<b>(223)</b>	<b>112</b>	<b>854</b>	<b>1,309</b>
Average allocated capital	11,321	11,192	10,946	11,287	14,739	15,933	14,237 *	9,915*	51,243	48,327
Group ROE (after tax)									5.3%	9.3%

\* Calculated as the difference between total Group capital and capital allocated to the core businesses  
Net banking income, operating expenses, allocated capital, ROE: see Methodology  
2018 figures restated for IAS 12 amendment impact, see p.29

# GROUP

## 9M 19 INCOME STATEMENT BY CORE BUSINESS

In EURm	French Retail Banking		International Retail Banking and Financial Services		Global Banking and Investor Solutions		Corporate Centre		Group	
	9M 19	9M 18	9M 19	9M 18	9M 19	9M 18	9M 19	9M 18	9M 19	9M 18
Net banking income	5,789	5,948	6,296	6,156	6,518	6,805	(145)	369	18,458	19,278
Operating expenses	(4,209)	(4,199)	(3,440)	(3,381)	(5,579)	(5,462)	4	(431)	(13,224)	(13,473)
Gross operating income	1,580	1,749	2,856	2,775	939	1,343	(141)	(62)	5,234	5,805
Net cost of risk	(318)	(346)	(430)	(290)	(140)	5	(19)	(11)	(907)	(642)
Operating income	1,262	1,403	2,426	2,485	799	1,348	(160)	(73)	4,327	5,163
Net income from companies accounted for by the equity method	6	20	11	13	5	4	3	6	25	43
Net profits or losses from other assets	43	1	2	6	2	(15)	(249)	(31)	(202)	(39)
Impairment losses on goodwill	0	0	0	0	0	0	0	0	0	0
Income tax	(410)	(469)	(572)	(637)	(122)	(301)	70	178	(1,034)	(1,229)
O.w. non controlling interests	0	0	375	365	17	18	130	119	522	502
Group net income	901	955	1,492	1,502	667	1,018	(466)	(39)	2,594	3,436
Average allocated capital	11,294	11,229	11,196	11,411	15,622	15,238	12,197 *	9,967 *	50,309	47,845
Group ROE (after tax)									5.5%	8.1%

\* Calculated as the difference between total Group capital and capital allocated to the core businesses  
 Net banking income, operating expenses, allocated capital, ROE: see Methodology  
 2018 figures restated for IAS 12 amendment impact, see p.29

# GROUP: IAS 12 AMENDMENT IMPACT RECONCILIATION WITH 2017/18 AND Q1 19 REPORTED FIGURES

	Income Tax			Group Net Income		
	Reported	IAS 12 impact	Adjusted	Reported	IAS 12 impact	Adjusted
<b>2017</b>	(1,708)	<b>198</b>	(1,510)	2,806	<b>198</b>	3,004
<b>Q1 18</b>	(370)	<b>53</b>	(317)	850	<b>53</b>	903
<b>Q2 18</b>	(516)	<b>68</b>	(448)	1,156	<b>68</b>	1,224
<b>Q3 18</b>	(539)	<b>75</b>	(464)	1,234	<b>75</b>	1,309
<b>9M 18</b>	(1,425)	<b>196</b>	(1,229)	3,240	<b>196</b>	3,436
<b>Q4 18</b>	(136)	<b>61</b>	(75)	624	<b>61</b>	685
<b>2018</b>	(1,561)	<b>257</b>	(1,304)	3,864	<b>257</b>	4,121
<b>Q1 19</b>	(310)	<b>55</b>	(255)	631	<b>55</b>	686

IAS 12 impacts only Corporate Centre

# GROUP: UNDERLYING DATA RECONCILIATION WITH REPORTED FIGURES

Q3 19 (in EURm)	Operating Expenses	Net cost of risk	Net profit or losses from other assets	Group net income	Business
<b>Reported</b>	(4,165)	(329)	(71)	854	
(+) IFRIC 21 linearisation	(152)			(110)	
(-) Group refocusing plan*			(113)	(111)	Corporate Centre
<b>Underlying</b>	<b>(4,317)</b>	<b>(329)</b>	<b>42</b>	<b>855</b>	

Q3 18 (in EURm)	Operating Expenses	Net cost of risk	Net profit or losses from other assets	Group net income	Business
<b>Reported</b>	(4,341)	(264)	2	1,309	
(+) IFRIC 21 linearisation	(169)			(118)	
(-) Provision for disputes*	(136)			(136)	Corporate Centre
<b>Underlying</b>	<b>(4,374)</b>	<b>(264)</b>	<b>2</b>	<b>1,327</b>	

9M 19 (in EURm)	Operating Expenses	Net cost of risk	Net profit or losses from other assets	Group net income	Business
<b>Reported</b>	(13,224)	(907)	(202)	2,594	
(+) IFRIC 21 linearisation	152			110	
(-) Restructuring provision*	(256)			(192)	GBIS (EUR -227m) / IBFS (EUR -29m)
(-) Group refocusing plan*			(18)	(249)	(287) Corporate Centre
<b>Underlying</b>	<b>(12,816)</b>	<b>(889)</b>	<b>47</b>	<b>3,183</b>	

9M 18 (in EURm)	Operating Expenses	Net cost of risk	Net profit or losses from other assets	Group net income	Business
<b>Reported</b>	(13,473)	(642)	(39)	3,436	
(+) IFRIC 21 linearisation	169			118	
(-) Provision for disputes*	(336)			(336)	Corporate Centre
(-) Group refocusing plan*			(27)	(27)	Corporate Centre
<b>Underlying</b>	<b>(12,968)</b>	<b>(642)</b>	<b>(12)</b>	<b>3,917</b>	

\* Exceptional item

# GROUP IFRIC 21 IMPACT

	French Retail Banking		International Retail Banking and Financial Services		Global Banking and Investor Solutions		Corporate Centre		Group	
In EURm	9M 19	9M 18	9M 19	9M 18	9M 19	9M 18	9M 19	9M 18	9M 19	9M 18
Total IFRIC 21 Impact - costs	-100	-108	-112	-129	-346	-393	-48	-47	-606	-677
<i>o/w Resolution Funds</i>	-70	-66	-42	-47	-262	-313	-2	-1	-376	-427

	International Retail Banking		Financial Services to Corporates		Insurance		Total	
In EURm	9M 19	9M 18	9M 19	9M 18	9M 19	9M 18	9M 19	9M 18
Total IFRIC 21 Impact - costs	-75	-90	-7	-10	-30	-30	-112	-129
<i>o/w Resolution Funds</i>	-40	-45	-2	-2			-42	-47

	Western Europe		Czech Republic		Romania		Russia		Other Europe		Africa, Asia, Mediterranean bassin and Overseas		Total International Retail Banking	
In EURm	9M 19	9M 18	9M 19	9M 18	9M 19	9M 18	9M 19	9M 18	9M 19	9M 18	9M 19	9M 18	9M 19	9M 18
Total IFRIC 21 Impact - costs	-8	-9	-34	-35	-16	-9	-1	-2	-10	-24	-5	-11	-75	-90
<i>o/w Resolution Funds</i>	-5	-4	-27	-27	-5	-4			-2	-9	-5	-11	-40	-45

	Global Banking and Investor Services		Financing and Advisory		Asset and Wealth Management		Total Global Banking and Investor Solutions	
In EURm	9M 19	9M 18	9M 19	9M 18	9M 19	9M 18	9M 19	9M 18
Total IFRIC 21 Impact - costs	-246	-303	-89	-79	-10	-11	-346	-393
<i>o/w Resolution Funds</i>	-197	-250	-56	-54	-9	-9	-262	-313

# GROUP CRR/CRD4 PRUDENTIAL CAPITAL RATIOS

\_Fully Loaded Common Equity Tier 1, Tier 1 and Total Capital

In EUR bn	30/09/2019	31/12/2018
<b>Shareholder equity Group share</b>	<b>63.7</b>	<b>61.0</b>
Deeply subordinated notes*	(9.7)	(9.3)
Undated subordinated notes*	(0.3)	(0.3)
Dividend to be paid & interest on subordinated notes	(1.5)	(1.0)
Goodwill and intangible	(6.5)	(6.7)
Non controlling interests	3.9	3.7
Deductions and regulatory adjustments	(5.4)	(5.3)
<b>Common Equity Tier 1 Capital</b>	<b>44.1</b>	<b>42.0</b>
Additional Tier 1 Capital	9.7	9.4
<b>Tier 1 Capital</b>	<b>53.8</b>	<b>51.4</b>
Tier 2 capital	11.5	11.5
<b>Total capital (Tier 1 + Tier 2)</b>	<b>65.3</b>	<b>62.9</b>
<b>Risk-Weighted Assets</b>	<b>354</b>	<b>376</b>
<b>Common Equity Tier 1 Ratio</b>	<b>12.5%</b>	<b>11.2%</b>
<b>Tier 1 Ratio</b>	<b>15.2%</b>	<b>13.7%</b>
<b>Total Capital Ratio</b>	<b>18.5%</b>	<b>16.7%</b>

Ratios based on the CRR/CDR4 rules as published on 26th June 2013, including Danish compromise for insurance. See Methodology. For 31/12/2018, dividend to be paid calculated assuming a 50% take-up on 2018 scrip dividend

\* Excluding issue premiums on deeply subordinated notes and on undated subordinated notes



# GROUP CRR LEVERAGE RATIO

\_CRR Fully Loaded Leverage Ratio<sup>(1)</sup>

In EUR bn	30/09/2019	31/12/2018
<b>Tier 1 Capital</b>	<b>53.8</b>	<b>51.4</b>
Total prudential balance sheet	1,262	1,175
Adjustment related to derivative exposures <sup>(2)</sup>	(108)	(46)
Adjustment related to securities financing transactions*	(3)	(11)
Off-balance sheet (loan and guarantee commitments)	105	100
Technical and prudential adjustments (Tier 1 capital prudential deductions)	(25)	(10)
<b>Leverage exposure</b>	<b>1,232</b>	<b>1,208</b>
<b>CRR leverage ratio</b>	<b>4.4%</b>	<b>4.3%</b>

(1) Fully loaded based on CRR rules taking into account the leverage ratio delegated act adopted in October 2014 by the European Commission. See Methodology. Tier 1 capital as at 31/12/2018 calculated assuming a 50% takeup on 2018 scrip dividend

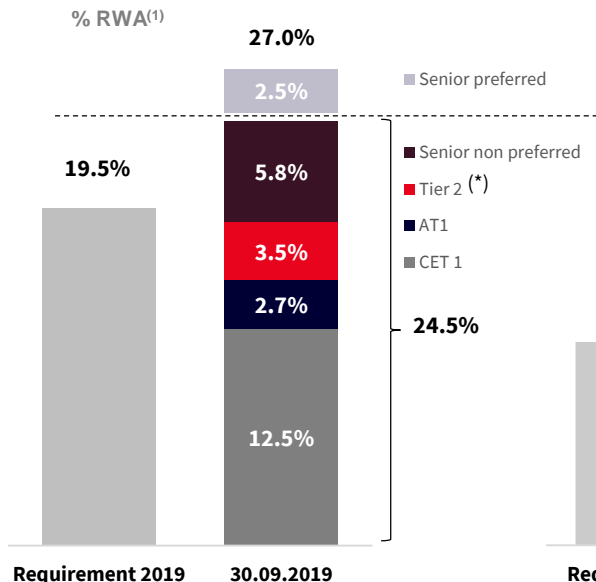
(2) The prudential balance sheet corresponds to the IFRS balance sheet less entities accounted for through the equity method (mainly insurance subsidiaries)

\* Securities financing transactions: repos, reverse repos, securities lending and borrowing and other similar transactions

# GROUP TLAC / MREL

\_TLAC ratio

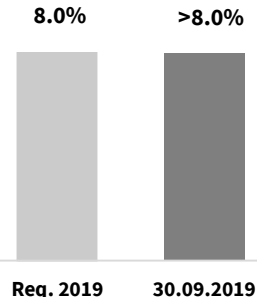
Already meeting 2019 (19.5%) and 2022 (21.5%) requirements<sup>(1)</sup>



% Leverage

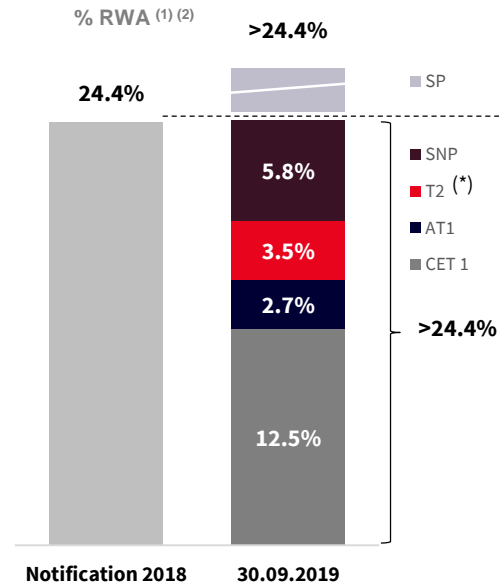


% TLOF



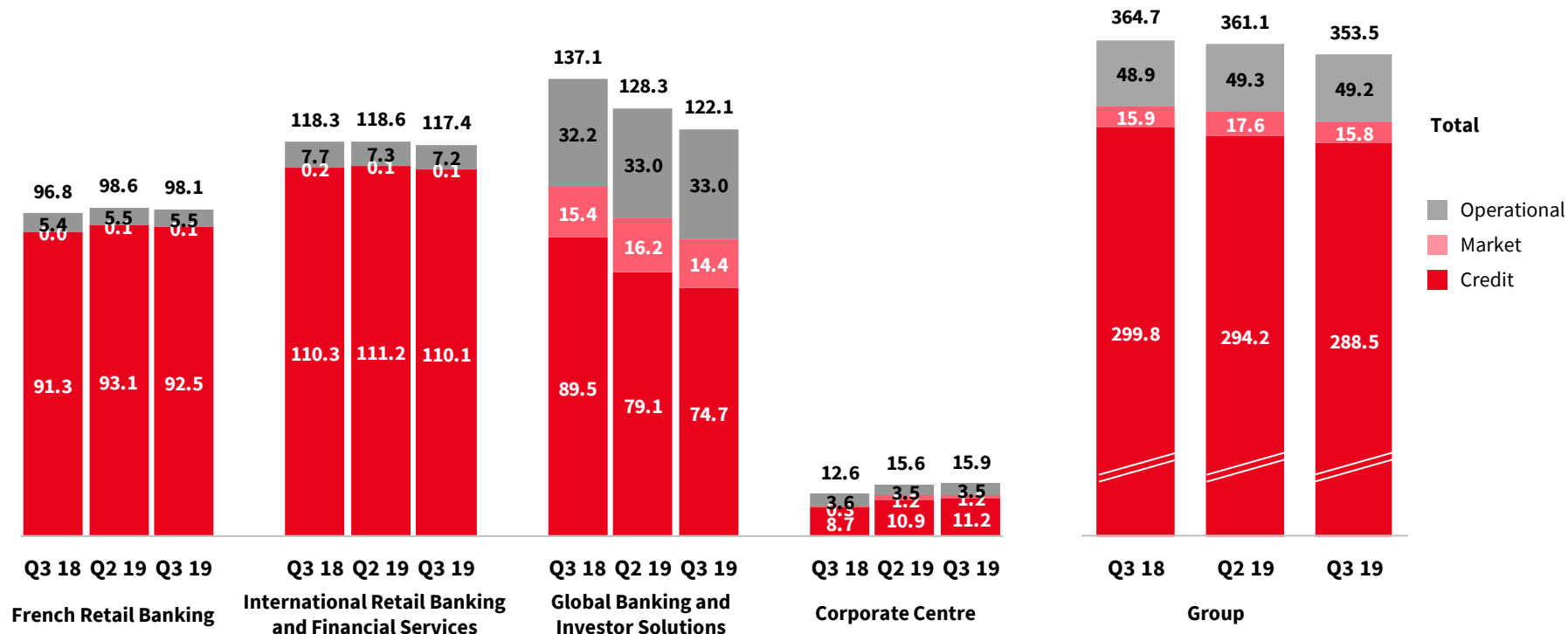
\_MREL ratio

Already meeting total requirements (notification received in June 2018)



(1) Without countra cyclical buffer  
 (2) Based on RWAs as of end-December 2016  
 (\*) T2 capital computed for TLAC / MREL differ from T2 capital for total capital ratio (slide 32) due to TLAC / MREL eligibility rules

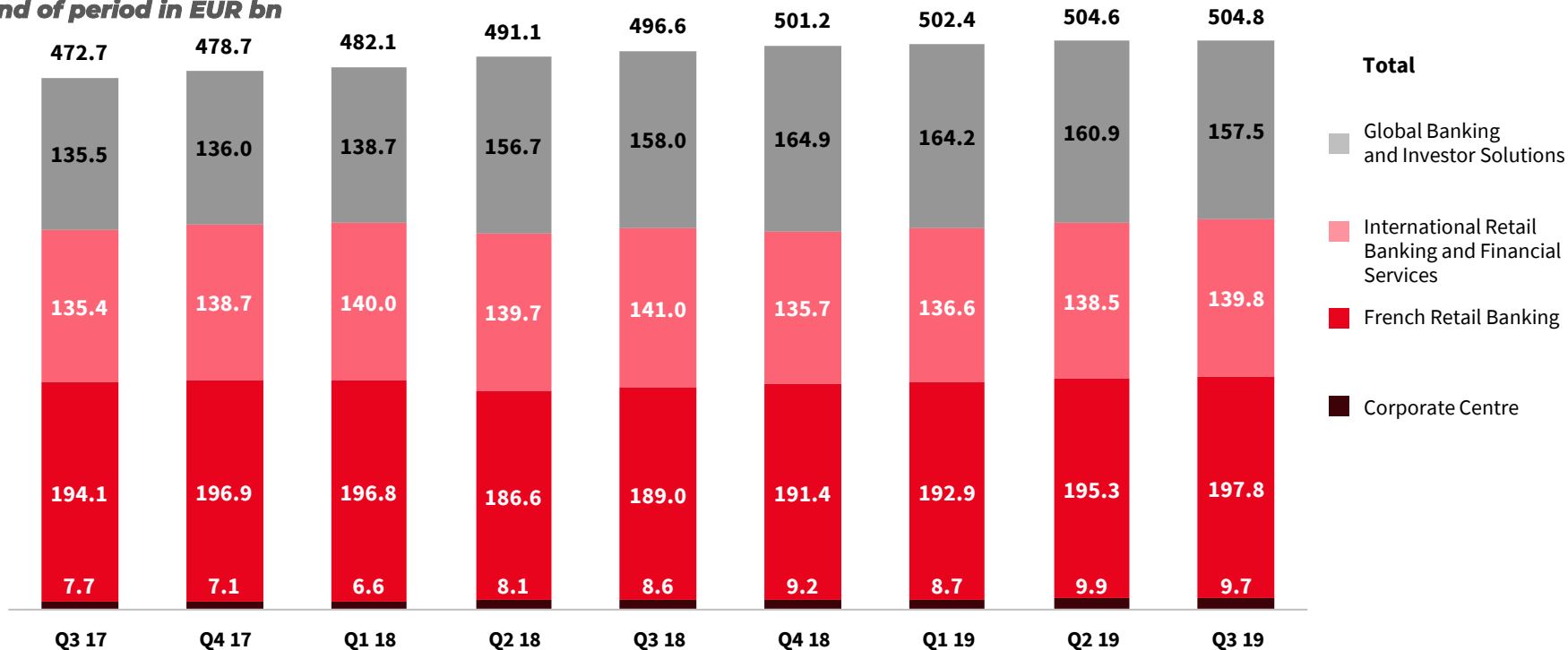
# GROUP RISK-WEIGHTED ASSETS\* (CRR/CRD 4, IN EUR BN)



\* Includes the entities reported under IFRS 5 until disposal

# GROUP CHANGE IN GROSS BOOK OUTSTANDINGS\*

End of period in EUR bn



\* Customer loans; deposits and loans due from banks, leasing and lease assets. Excluding repurchase agreements. Excluding entities reported under IFRS 5. From Q2 18, date restated reflecting the transfer of Global Transaction and Payment Services from French Retail Banking to Global Banking and Investor solutions.

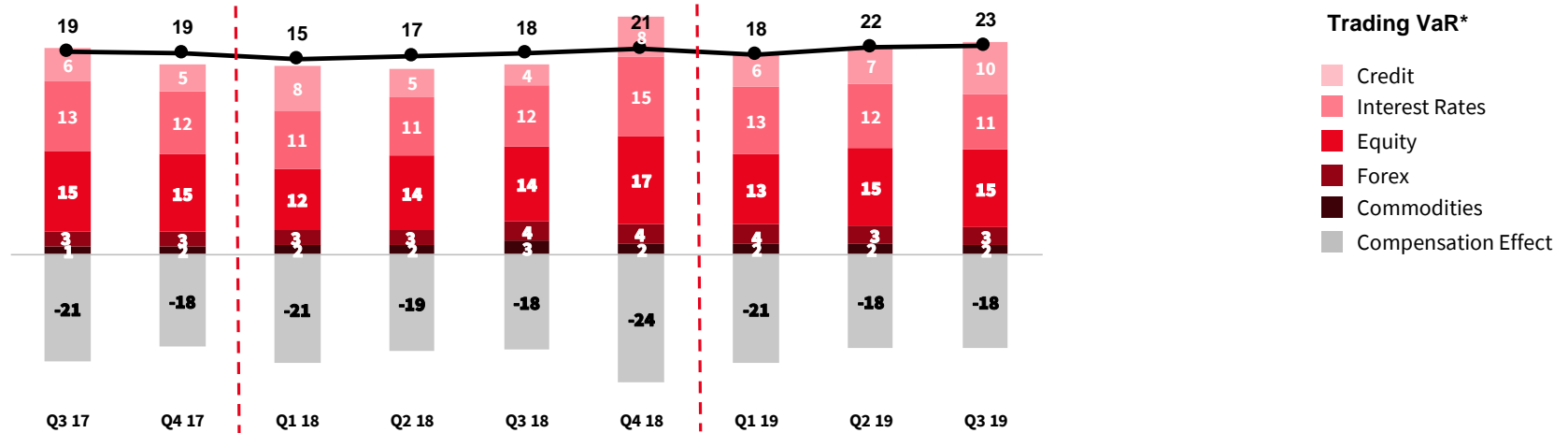
# GROUP NON PERFORMING LOANS

In EUR bn	30/09/2019	30/06/2019	30/09/2018
Gross book outstandings*	504.8	504.7	496.6
Doubtful loans*	16.9	17.0	19.0
<b>Group Gross non performing loans ratio*</b>	<b>3.4%</b>	<b>3.4%</b>	<b>3.8%</b>
Stage 1 provisions	0.9	0.9	1.0
Stage 2 provisions	1.0	1.0	1.1
Stage 3 provisions	9.4	9.4	10.5
<b>Group Gross doubtful loans coverage ratio* (Stage 3 provisions / Doubtful loans)</b>	<b>55%</b>	<b>55%</b>	<b>55%</b>

\* Customer loans, deposits at banks and loans due from banks, leasing and lease assets  
See: Methodology

# GROUP CHANGE IN TRADING VAR\* AND STRESSED VAR\*\*

\_Quarterly Average of 1-Day, 99% Trading VaR\* (in EUR m)



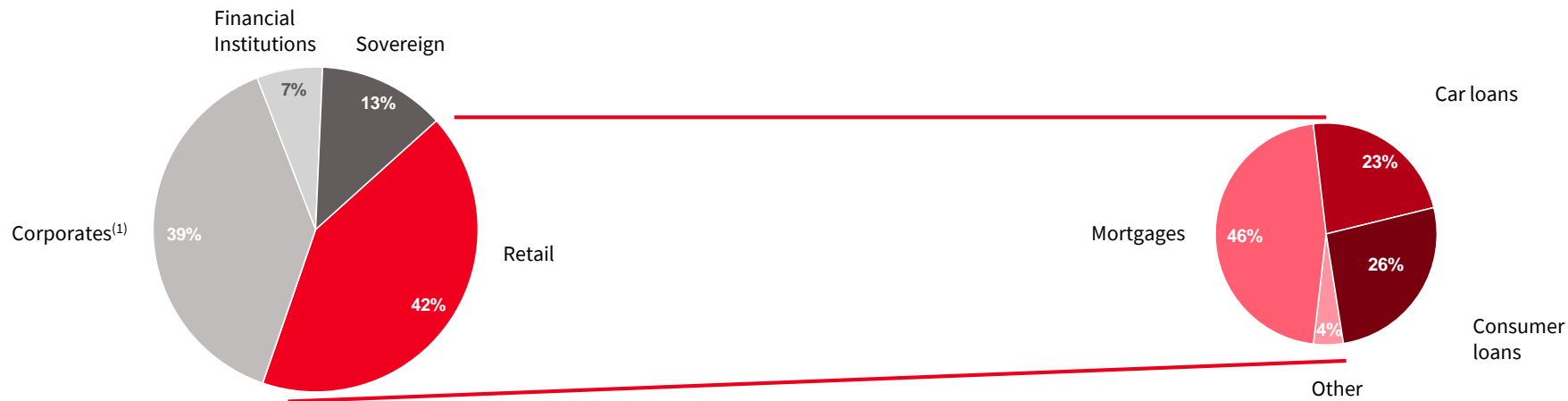
Stressed VAR** (1 day, 99%, in EUR m)	Q3 18	Q4 18	Q1 19	Q2 19	Q3 19
Minimum	21	34	22	25	17
Maximum	57	123	59	70	60
Average	34	62	36	45	34

\* Trading VaR: measurement over one year (i.e. 260 scenarios) of the greatest risk obtained after elimination of 1% of the most unfavourable occurrences

\*\* Stressed VaR: Identical approach to VaR (historical simulation with 1-day shocks and a 99% confidence interval), but over a fixed one-year historical window corresponding to a period of significant financial tension instead of a one-year rolling period

# GROUP DIVERSIFIED EXPOSURE TO RUSSIA

\_EAD as of Q3 19: EUR 16.3bn

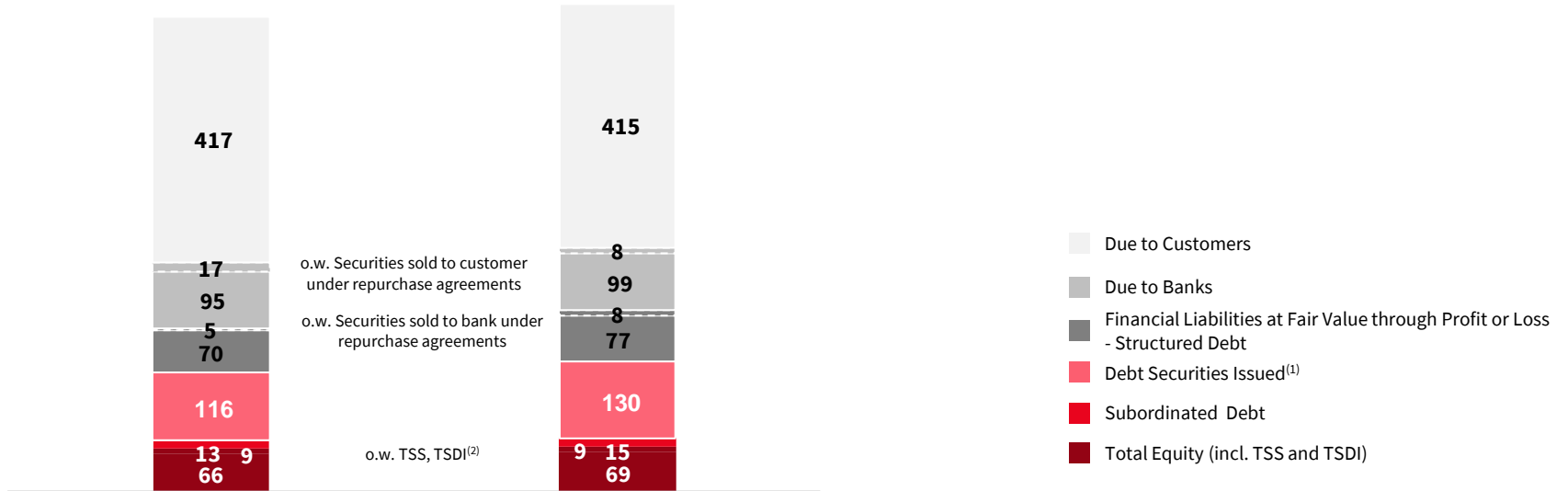


(1) o/w ca.90% Tier 1 corporates

# GROUP FUNDING STRUCTURE

31 DECEMBER 2018

30 SEPTEMBER 2019



(1) o.w. SGSCF: EUR 3.4bn, SGSFH: EUR 13.8bn, CRH: EUR 5.3bn, securitisation and other secured issuances: EUR 2bn, conduits: EUR 10.3bn at end-September 2019 (and SGSCF: EUR 5.7bn, SGSFH: EUR 13.3bn, CRH: EUR 5.9bn, securitisation and other secured issuances: EUR 3.1bn, conduits: EUR 10.6bn at end-December 2018).

(2) TSS: Deeply Subordinated Notes, TSDI: Undated Subordinated notes. Notional amount excluding notably fx differences, original issue premiums/discounts, and accrued interest



# GROUP LONG TERM FUNDING PROGRAMME

## Completion of the 2019 vanilla long term funding programme at competitive conditions with broad diversification

- EUR 17.8 bn raised (including EUR 0.75 bn of prefunding in 2018) broken down as follows:
  - Subordinated debt: EUR 1.1 bn raised (including EUR 0.9 bn eqv. Additional Tier 1 in AUD and SGD and EUR 0.2 bn eqv. Tier 2 in AUD)
  - SNP: EUR 8.2 bn eqv. raised (in EUR, USD, JPY, GBP and CHF)
  - SP/CB: EUR 8.5 bn raised

## Expected annual structured notes issuance volume in line with amounts issued over the past years (i.e. ~EUR 19 bn)

- As of 23 October 2019, issuance of EUR 17.4 bn structured notes

## Attractive funding costs for both senior and junior debts

- Funding conditions for senior non preferred debt, senior preferred debt and covered bonds: MS6M+49bp and average maturity of 4.5 years

## Additional EUR 1.7 bn issued by subsidiaries

## Selection of key 2019 transactions



**PerpNC5 AT1**  
6.125% 16-Apr-24  
SGD 750M



**PerpNC5 AT1**  
4.875% 12-Sep-24  
AUD 700M



**15NC10 T2**  
4.500% 18-Apr-29  
AUD 300M



**5Y SNP**  
1.250% 15-Feb-24  
EUR 1,750M



**7Y SNP**  
0.875% 01-Jul-26  
EUR 750M



**10Y SNP**  
0.875% 24-Sep-29  
EUR 750M



**5Y & 10Y SNP**  
0.94% & 1.164%  
JPY 96,200M



**7Y SNP**  
0.250% 08-Oct-26  
CHF 125M



**5Y SNP**  
1.875% 03-Oct-24  
GBP 250M



**5Y SNP**  
3.875% 28-Mar-24  
USD 1,500M



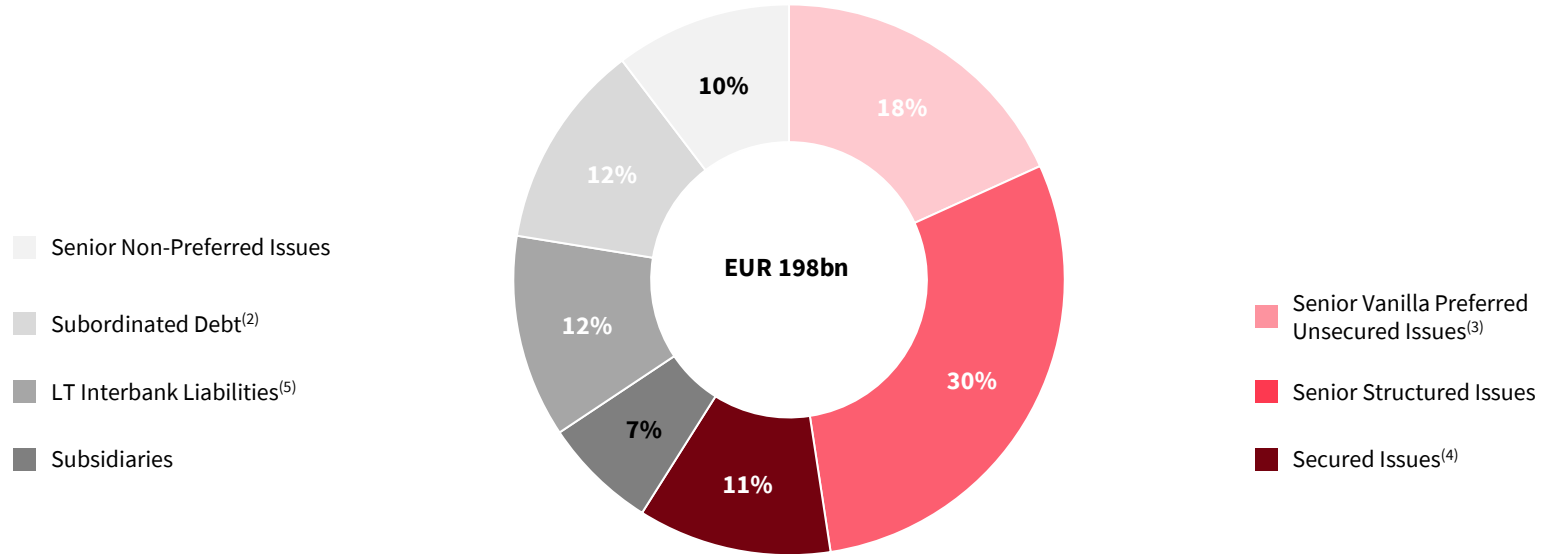
**5Y SNP**  
2.625% 16-Oct-24  
USD 1,000M



**10Y PIF CB**  
0.125% 18-Jul-29  
EUR 1,000M

# GROUP LONG TERM FUNDING BREAKDOWN<sup>(1)</sup>

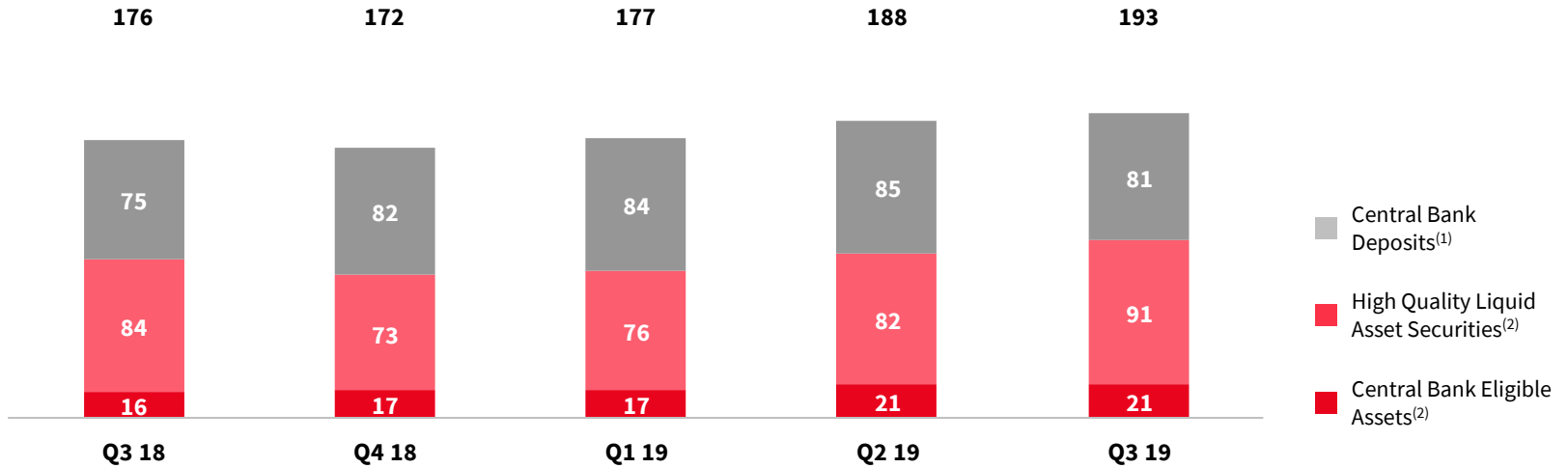
30.09.2019



- (1) See : Methodology  
 (2) Including undated subordinated debt  
 (3) Including CD & CP > 1y  
 (4) Including CRH  
 (5) Including IFI

# GROUP LIQUID ASSET BUFFER

\_Liquid Asset Buffer (in EUR bn)



Liquidity Coverage Ratio at 135% on average in Q3 19

(1) Excluding mandatory reserves  
(2) Unencumbered, net of haircuts

# GROUP EPS CALCULATION

Average number of shares (thousands)	9M 19	H1 19	2018	9M 18
<b>Existing shares</b>	<b>829,235</b>	<b>821,189</b>	<b>807,918</b>	<b>807,918</b>
<b>Deductions</b>				
Shares allocated to cover stock option plans and free shares awarded to staff	4,087	4,214	5,335	5,231
Other own shares and treasury shares	187	249	842	996
<b>Number of shares used to calculate EPS**</b>	<b>824,961</b>	<b>816,726</b>	<b>801,741</b>	<b>801,691</b>
<b>Group net Income</b>	<b>2,594</b>	<b>1,740</b>	<b>4,121</b>	<b>3,436</b>
Interests on deeply subordinated notes and undated subordinated notes	(537)	(357)	(719)	(534)
Capital gain net of tax on partial buybacks				
<b>Adjusted Group net income</b>	<b>2,057</b>	<b>1,383</b>	<b>3,402</b>	<b>2,902</b>
<b>EPS (in EUR)</b>	<b>2.49</b>	<b>1.69</b>	<b>4.24</b>	<b>3.62</b>
<b>Underlying EPS* (in EUR)</b>	<b>3.24</b>	<b>2.42</b>	<b>5.00</b>	<b>4.22</b>

\*Underlying EPS : adjusted for exceptional items and IFRIC 21 linearisation. See p.31 and Methodology

\*\* The number of shares considered is the average number of ordinary shares of the period, excluding treasury shares and buybacks, but including the trading shares held by the Group  
Published Group net income figures for 2018 and 9M 18 adjusted for IAS 12 amendment. See p.29

# GROUP

## NET ASSET VALUE, TANGIBLE NET ASSET VALUE

End of period	9M 19	H1 19	2018	9M 18
<b>Shareholders' equity Group share</b>	<b>63,715</b>	<b>62,492</b>	<b>61,026</b>	<b>60,149</b>
Deeply subordinated notes	(9,739)	(9,861)	(9,330)	(9,249)
Undated subordinated notes	(290)	(280)	(278)	(276)
Interest net of tax payable to holders of deeply subordinated notes & undated subordinated notes, interest paid to holders of deeply subordinated notes & undated subordinated notes, issue premium amortisations	(16)	(39)	(14)	(169)
Bookvalue of own shares in trading portfolio	348	431	423	387
<b>Net Asset Value</b>	<b>54,018</b>	<b>52,743</b>	<b>51,827</b>	<b>50,842</b>
Goodwill	(4,577)	(4,548)	(4,860)	(5,033)
Intangible Asset	(2,292)	(2,226)	(2,224)	(2,130)
<b>Net Tangible Asset Value</b>	<b>47,149</b>	<b>45,969</b>	<b>44,743</b>	<b>43,679</b>
<b>Number of shares used to calculate NAPS**</b>	<b>849,665</b>	<b>844,026</b>	<b>801,942</b>	<b>801,942</b>
<b>Nest Asset Value per Share</b>	<b>63.6</b>	<b>62.5</b>	<b>64.6</b>	<b>63.4</b>
<b>Net Tangible Asset Value per Share</b>	<b>55.5</b>	<b>54.5</b>	<b>55.8</b>	<b>54.5</b>

\*\* The number of shares considered is the number of ordinary shares outstanding as of 30 September 2019, excluding treasury shares and buybacks, but including the trading shares held by the Group. In accordance with IAS 33, historical data per share prior to the date of detachment of a preferential subscription right are restated by the adjustment coefficient for the transaction. See Methodology

# GROUP ROE/ROTE CALCULATION DETAIL

End of period	Q3 19	Q3 18	9M 19	9M 18
<b>Shareholders' equity Group share</b>	<b>63,715</b>	<b>60,149</b>	<b>63,715</b>	<b>60,149</b>
Deeply subordinated notes	(9,739)	(9,249)	(9,739)	(9,249)
Undated subordinated notes	(290)	(276)	(290)	(276)
Interest net of tax payable to holders of deeply subordinated notes & undated subordinated notes, interest paid to holders of deeply subordinated notes & undated subordinated notes, issue premium amortisations	(16)	(169)	(16)	(169)
OCI excluding conversion reserves	(741)	(300)	(741)	(300)
Dividend provision	(1,402)	(1,451)	(1,402)	(1,451)
<b>ROE equity end-of-period</b>	<b>51,527</b>	<b>48,704</b>	<b>51,527</b>	<b>48,704</b>
<b>Average ROE equity</b>	<b>51,243</b>	<b>48,327</b>	<b>50,309</b>	<b>47,845</b>
Average Goodwill	(4,562)	(5,033)	(4,600)	(5,044)
Average Intangible Assets	(2,259)	(2,091)	(2,215)	(2,028)
<b>Average ROTE equity</b>	<b>44,422</b>	<b>41,203</b>	<b>43,494</b>	<b>40,773</b>
<b>Group net Income (a)</b>	<b>854</b>	<b>1,309</b>	<b>2,594</b>	<b>3,436</b>
<b>Underlying Group net income (b)</b>	<b>855</b>	<b>1,327</b>	<b>3,183</b>	<b>3,917</b>
Interest on deeply subordinated notes and undated subordinated notes (c)	(180)	(190)	(537)	(534)
Cancellation of goodwill impairment (d)	7		115	22
<b>Adjusted Group net Income (e) = (a)+ (c)+(d)</b>	<b>681</b>	<b>1,119</b>	<b>2,172</b>	<b>2,924</b>
<b>Adjusted Underlying Group net Income (f)=(b)+(c)</b>	<b>675</b>	<b>1,137</b>	<b>2,646</b>	<b>3,383</b>
<b>Average ROTE equity (g)</b>	<b>44,422</b>	<b>41,203</b>	<b>43,494</b>	<b>40,773</b>
ROTE [quarter: (4*e/g), 9M: (4/3*e/g)]	6.1%	10.9%	6.7%	9.6%
<b>Average ROTE equity (underlying) (h)</b>	<b>44,422</b>	<b>41,212</b>	<b>43,693</b>	<b>41,013</b>
Underlying ROTE [quarter: (4*f/h), 9M: (4/3*f/h)]	6.1%	11.0%	8.1%	11.0%

ROE/ROTE: see Methodology  
Published figures for Q3 18 and 9M 18 Group net Income adjusted for IAS amendment impact. See p.29

# FRENCH RETAIL BANKING NET BANKING INCOME

Change  
Q3 19 vs. Q3 18

1,949    1,912    1,916    1,994    1,879    -3.6%

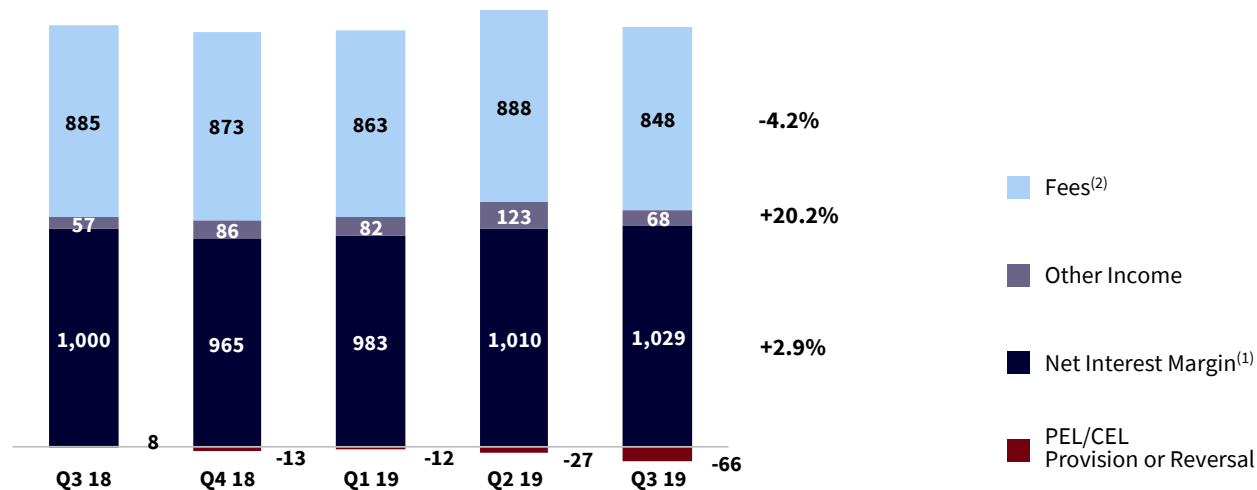
NBI in EUR m

## Commissions<sup>(2)</sup>

-4.2% vs. Q3 18 and -2.3% vs. 9M 18

## Interest margin<sup>(1)</sup>

+2.9% vs. Q3 18 and +0.4% vs. 9M 18



(1) Excluding PEL/CEL

(2) Fees includes revenues from insurance previously reported in "Other Income". Historical series have been restated.

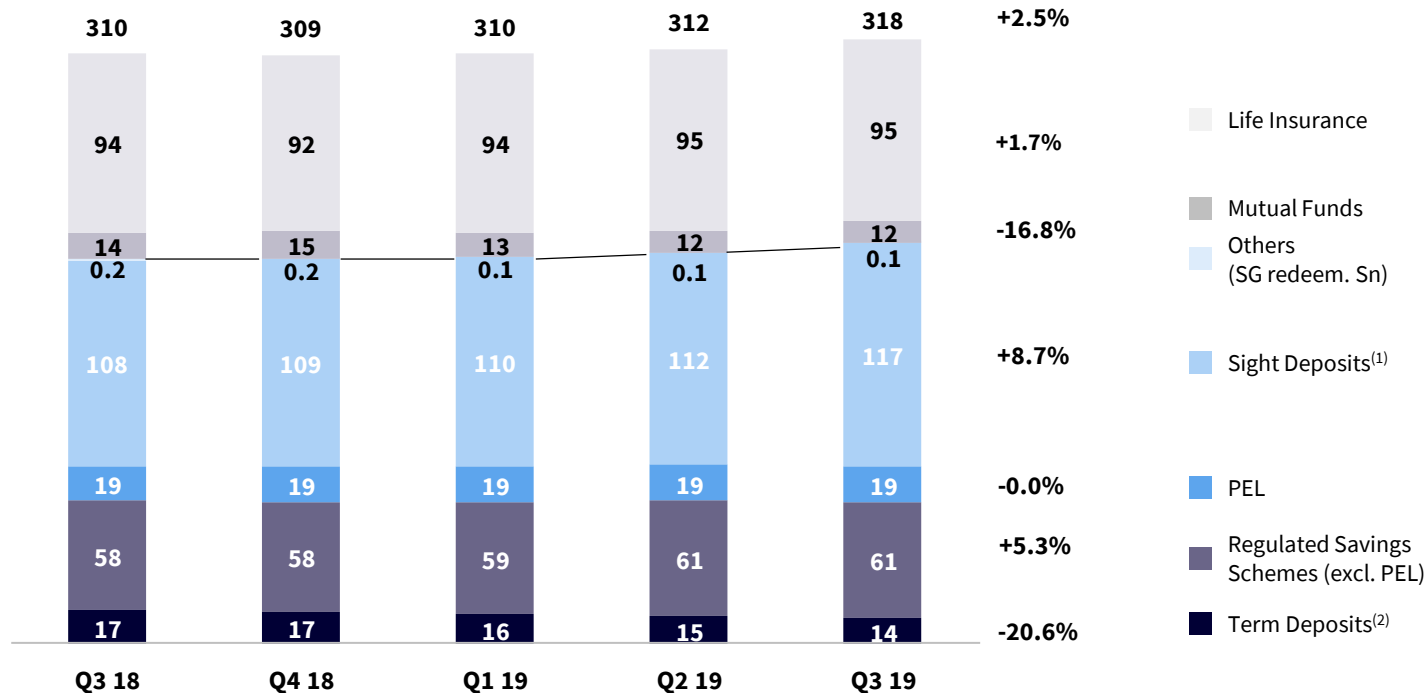
# FRENCH RETAIL BANKING CUSTOMER DEPOSITS AND FINANCIAL SAVINGS

**Average outstanding  
in EUR bn**

**Financial savings:  
EUR 107,4bn  
-0.9%**

**Deposits:  
EUR 210,3bn  
+4.4%**

**Change  
Q3 19 vs. Q3 18**



(1) Including deposits from Financial Institutions and foreign currency deposits

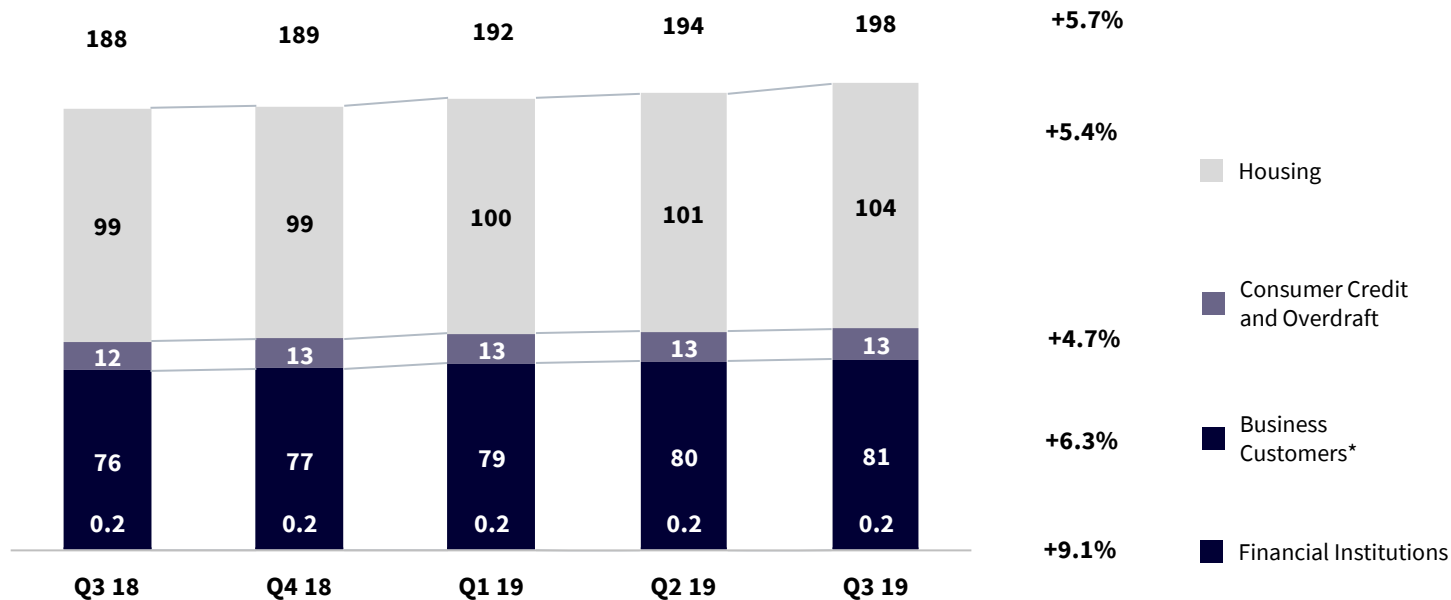
(2) Including deposits from Financial Institutions and medium-term notes



# FRENCH RETAIL BANKING LOANS OUTSTANDING

Average outstanding, net of provisions in EUR bn

Change  
Q3 19 vs. Q3 18



\* SMEs, self-employed professionals, local authorities, corporates, NPOs, including foreign currency loans

# INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES QUARTERLY RESULTS

<i>In EUR m</i>	International Retail Banking			Insurance			Financial Services to Corporates			Total		
	Q3 19	Q3 18	Change	Q3 19	Q3 18	Change	Q3 19	Q3 18	Change	Q3 19	Q3 18	Change
Net banking income	1,401	1,418	+4.8%*	227	217	+4.4%*	468	457	+0.4%*	2,096	2,092	+3.7%*
Operating expenses	(766)	(792)	+2.5%*	(84)	(77)	+8.8%*	(241)	(231)	+2.6%*	(1,091)	(1,100)	+3.0%*
Gross operating income	635	626	+7.6%*	143	140	+1.9%*	227	226	-1.8%*	1,005	992	+4.5%*
Net cost of risk	(150)	(103)	+49.1%*	0	0	n/s	(19)	(21)	-9.8%*	(169)	(124)	+38.8%*
Operating income	485	523	-1.0%*	143	140	+1.9%*	208	205	-1.0%*	836	868	-0.5%*
Net profits or losses from other assets	1	2	-35.7%*	0	0	n/s	0	0	+100.0%*	1	2	-35.7%*
Impairment losses on goodwill	0	0	n/s	0	0	n/s	0	0	n/s	0	0	n/s
Income tax	(109)	(119)	-3.2%*	(45)	(46)	-2.4%*	(47)	(54)	-15.0%*	(201)	(219)	-6.1%*
Group net income	281	313	-2.7%*	96	94	+1.9%*	136	125	+5.3%*	513	532	+0.2%*
C/I ratio	55%	56%		37%	35%		51%	51%		52%	53%	
Average allocated capital	6,612	6,950		1,428	1,702		2,906	2,635		10,946	11,287	

\* When adjusted for changes in Group structure and at constant exchange rates  
Net banking income, operating expenses, cost to income ratio, allocated capital: see Methodology

# INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES

## 9M 19 RESULTS

<i>In EUR m</i>	International Retail Banking			Insurance			Financial Services to Corporates			Total		
	9M 19	9M 18	Change	9M 19	9M 18	Change	9M 19	9M 18	Change	9M 19	9M 18	Change
<b>Net banking income</b>	<b>4,200</b>	4,131	+6.6%*	<b>687</b>	663	+3.6%*	<b>1,409</b>	1,362	+2.8%*	<b>6,296</b>	6,156	+5.4%*
<b>Operating expenses</b>	<b>(2,406)</b>	(2,426)	+4.4%*	<b>(269)</b>	(254)	+5.8%*	<b>(736)</b>	(701)	+4.4%*	<b>(3,440)</b>	(3,381)	+5.4%*
<b>Gross operating income</b>	<b>1,794</b>	1,705	+9.8%*	<b>418</b>	409	+2.2%*	<b>673</b>	661	+1.0%*	<b>2,856</b>	2,775	+5.3%*
<b>Net cost of risk</b>	<b>(372)</b>	(241)	+65.1%*	<b>0</b>	0	n/s	<b>(58)</b>	(49)	+18.3%*	<b>(430)</b>	(290)	+56.3%*
<b>Operating income</b>	<b>1,422</b>	1,464	+1.0%*	<b>418</b>	409	+2.2%*	<b>615</b>	612	-0.4%*	<b>2,426</b>	2,485	-0.4%*
<b>Net profits or losses from other assets</b>	<b>2</b>	6	-60.9%*	<b>0</b>	0	n/s	<b>0</b>	0	+100.0%*	<b>2</b>	6	-60.9%*
<b>Impairment losses on goodwill</b>	<b>0</b>	0	n/s	<b>0</b>	0	n/s	<b>0</b>	0	n/s	<b>0</b>	0	n/s
<b>Income tax</b>	<b>(317)</b>	(340)	-3.8%*	<b>(130)</b>	(135)	-3.7%*	<b>(135)</b>	(162)	-17.5%*	<b>(572)</b>	(637)	-9.0%*
<b>Group net income</b>	<b>824</b>	855	+0.7%*	<b>285</b>	273	+4.3%*	<b>402</b>	374	+7.0%*	<b>1,492</b>	1,502	+1.7%*
<b>C/I ratio</b>	<b>57%</b>	59%		<b>39%</b>	38%		<b>52%</b>	51%		<b>55%</b>	55%	
<b>Average allocated capital</b>	<b>6,765</b>	6,888		<b>1,587</b>	1,841		<b>2,844</b>	2,630		<b>11,196</b>	11,411	

**IMPORTANT NOTE** : The total column includes the effect of restructuring provision for EUR -29m recorded in Operating expenses (EUR -20m in Group net income), not allocated to the businesses

\* When adjusted for changes in Group structure and at constant exchange rates  
 Net banking income, operating expenses, cost to income ratio, allocated capital: see Methodology

# QUARTERLY RESULTS OF INTERNATIONAL RETAIL BANKING BREAKDOWN BY REGION

In MEUR	Western Europe		Czech Republic		Romania		Other Europe		Russia (1)		Africa, Asia, Mediterranean bassin and Overseas		Total International Retail Banking	
	Q3 19	Q3 18	Q3 19	Q3 18	Q3 19	Q3 18	Q3 19	Q3 18	Q3 19	Q3 18	Q3 19	Q3 18	Q3 19	Q3 18
<b>Net banking income</b>	229	215	287	284	159	156	68	174	205	186	453	403	1,401	1,418
Change *	+6.5%*		+1.2%*		+3.8%*		-19.6%*		+3.5%*		+10.0%*		+4.8%*	
<b>Operating expenses</b>	(98)	(97)	(140)	(136)	(87)	(84)	(30)	(94)	(142)	(125)	(269)	(256)	(766)	(792)
Change *	+1.0%*		+3.0%*		+5.3%*		-35.0%*		+6.9%*		+2.5%*		+2.5%*	
<b>Gross operating income</b>	131	118	147	148	72	72	38	80	63	61	184	147	635	626
Change *	+11.0%*		-0.6%*		+2.0%*		-7.2%*		-3.5%*		+22.8%*		+7.6%*	
<b>Net cost of risk</b>	(45)	(37)	(4)	11	14	10	(5)	(13)	(25)	(20)	(85)	(54)	(150)	(103)
Change *	+21.6%*		n/s		-42.6%*		-48.0%*		+17.9%*		+53.7%*		+49.1%*	
<b>Operating income</b>	86	81	143	159	86	82	33	67	38	41	99	93	485	523
Change *	+6.2%*		-10.0%*		+7.0%*		+9.5%*		-13.8%*		+5.1%*		-1.0%*	
<b>Net profits or losses from other assets</b>	0	0	0	0	(1)	0	2	0	0	2	0	0	1	2
<b>Impairment losses on goodwill</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Income tax</b>	(17)	(17)	(29)	(33)	(17)	(17)	(7)	(14)	(7)	(8)	(32)	(30)	(109)	(119)
<b>Group net income</b>	66	61	68	77	42	39	29	51	31	35	45	50	281	313
Change *	+8.2%*		-11.6%*		+12.8%*		+29.1%*		-14.8%*		-12.6%*		-2.7%*	
<b>C/I ratio</b>	42.8%	45.1%	48.8%	47.9%	54.7%	53.8%	44.1%	54.0%	69.3%	67.2%	59.4%	63.5%	54.7%	55.9%
<b>Average allocated capital</b>	1,544	1,460	1,009	1,015	444	461	632	1,104	1,167	1,101	1,816	1,809	6,612	6,950

\* When adjusted for changes in Group structure and at constant exchange rates  
Net banking income, operating expenses, cost to income ratio, allocated capital: see Methodology

(1) Russia structure includes Rosbank, Delta Credit, Rusfinance and their consolidated subsidiaries in International Retail Banking

# 9M 19 RESULTS OF INTERNATIONAL RETAIL BANKING BREAKDOWN BY REGION

	Western Europe		Czech Republic		Romania		Other Europe		Russia (1)		Africa, Asia, Mediterranean basin and Overseas		Total International Retail Banking	
	9M 19	9M 18	9M 19	9M 18	9M 19	9M 18	9M 19	9M 18	9M 19	9M 18	9M 19	9M 18	9M 19	9M 18
<b>In MEUR</b>														
<b>Net banking income</b>	668	619	859	825	465	440	300	506	590	534	1,318	1,207	4,200	4,131
Change *	+7.9%*		+4.6%*		+7.5%*		-11.0%*		+9.8%*		+7.3%*		+6.6%*	
<b>Operating expenses</b>	(300)	(290)	(449)	(451)	(271)	(255)	(164)	(298)	(419)	(391)	(803)	(741)	(2,406)	(2,426)
Change *	+3.4%*		+0.1%*		+8.1%*		-12.5%*		+6.9%*		+6.2%*		+4.4%*	
<b>Gross operating income</b>	368	329	410	374	194	185	136	208	171	143	515	466	1,794	1,705
Change *	+11.9%*		+10.2%*		+6.7%*		-9.3%*		+17.8%*		+9.0%*		+9.8%*	
<b>Net cost of risk</b>	(116)	(103)	12	26	44	43	(12)	(31)	(74)	(40)	(226)	(136)	(372)	(241)
Change *	+12.6%*		+53.7%*		-1.6%*		n/s		+83.9%*		+63.1%*		+65.1%*	
<b>Operating income</b>	252	226	422	400	238	228	124	177	97	103	289	330	1,422	1,464
Change *	+11.5%*		+6.0%*		+5.7%*		+4.5%*		-7.6%*		-13.4%*		+1.0%*	
<b>Net profits or losses from other assets</b>	0	0	1	4	(1)	0	1	0	0	2	1	0	2	6
<b>Impairment losses on goodwill</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Income tax</b>	(50)	(47)	(85)	(85)	(47)	(48)	(25)	(37)	(17)	(20)	(93)	(103)	(317)	(340)
<b>Group net income</b>	192	171	207	196	116	109	94	126	80	85	135	168	824	855
Change *	+12.3%*		+6.2%*		+7.8%*		+23.0%*		-7.7%*		-22.0%*		+0.7%*	
<b>C/I ratio</b>	44.9%	46.8%	52.3%	54.7%	58.3%	58.0%	54.7%	58.9%	71.0%	73.2%	60.9%	61.4%	57.3%	58.7%
<b>Average allocated capital</b>	1,483	1,426	1,014	985	454	462	881	1,085	1,109	1,125	1,824	1,805	6,765	6,888

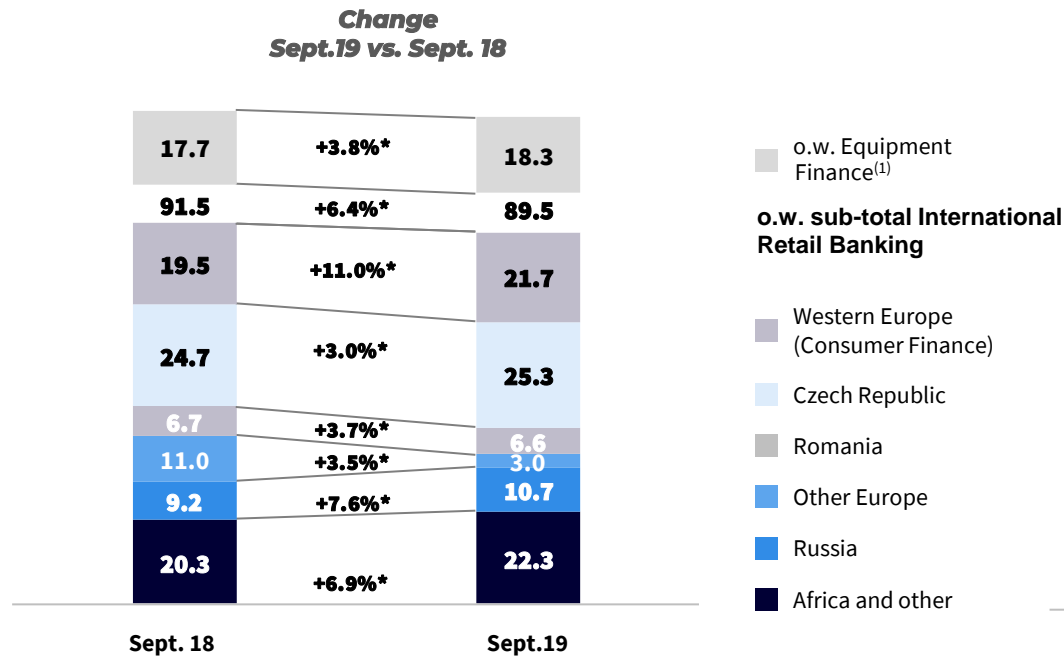
\* When adjusted for changes in Group structure and at constant exchange rates

Net banking income, operating expenses, cost to income ratio, allocated capital : see Methodology

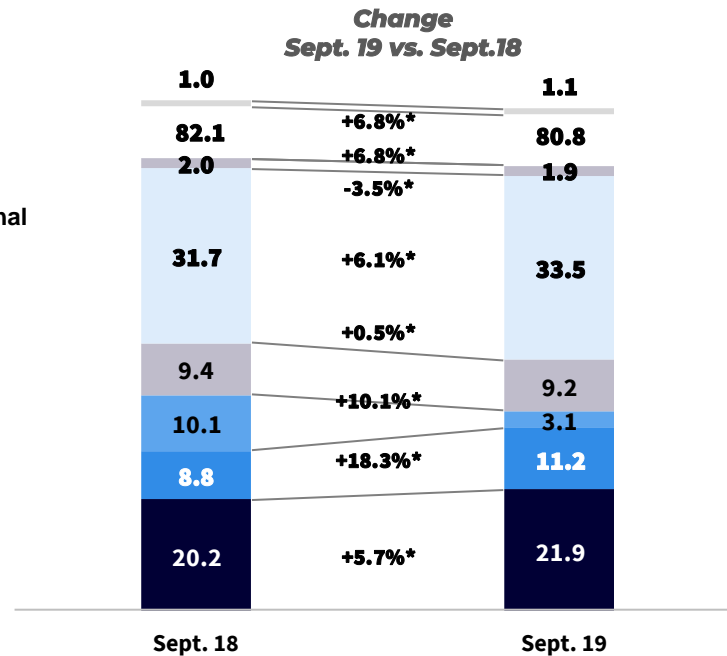
(1) Russia structure includes Rosbank, Delta Credit, Rusfinance and their consolidated subsidiaries in International Retail Banking

# INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES LOAN AND DEPOSIT OUTSTANDINGS BREAKDOWN

\_Loan Outstandings Breakdown (in EURbn)



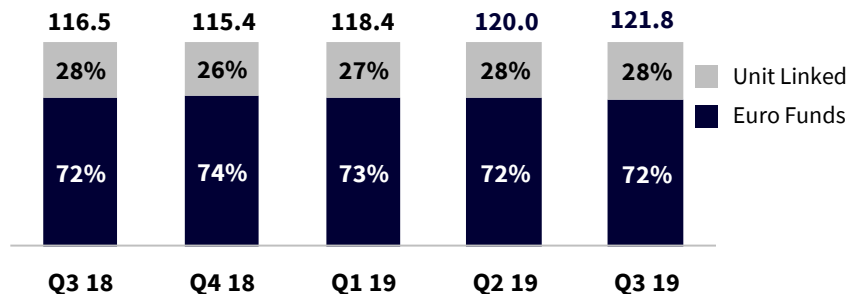
\_Deposit Outstandings Breakdown (in EURbn)



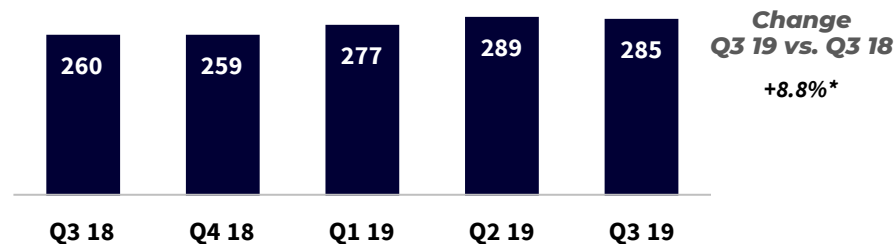
\* When adjusted for changes in Group structure and at constant exchange rates  
(1) Excluding factoring

# INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES INSURANCE KEY FIGURES

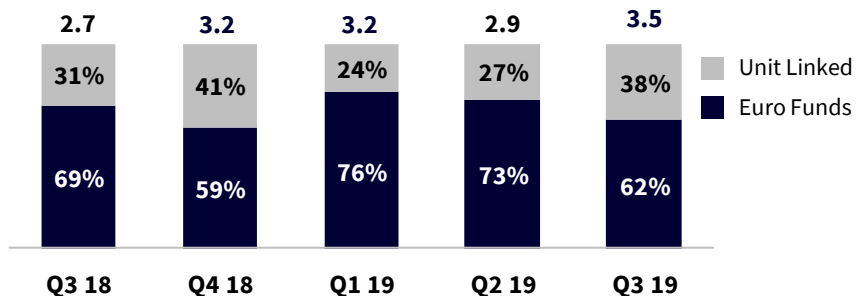
\_Life Insurance Outstandings  
and Unit Linked Breakdown (in EUR bn)



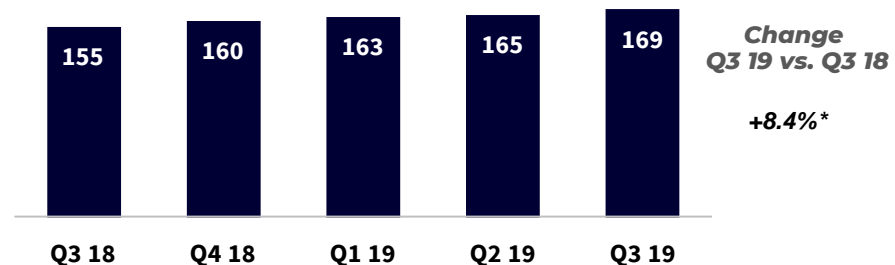
\_Personal Protection Insurance Premiums (in EUR m)



\_Life Insurance Gross Inflows (in EUR bn)



\_Property and Casualty Insurance Premiums (in EUR m)



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

# INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES

## SG RUSSIA<sup>(1)</sup>, Q3 19 RONE AT 13.7%

### \_SG Russia Results

In EUR m	Q3 19	Q3 18	Change	9M 19	9M 18	Change
<b>Net banking income</b>	<b>227</b>	207	<b>+3.2%*</b>	<b>654</b>	<b>595</b>	<b>+9.4%*</b>
Operating expenses	(150)	(133)	+6.7%*	(443)	(416)	+6.2%*
<b>Gross operating income</b>	<b>78</b>	<b>75</b>	<b>-2.9%*</b>	<b>211</b>	<b>179</b>	<b>+16.7%*</b>
Net cost of risk	(25)	(20)	+18.3%*	(74)	(40)	+85.6%*
<b>Operating income</b>	<b>53</b>	<b>55</b>	<b>-10.5%*</b>	<b>137</b>	<b>139</b>	<b>-2.8%*</b>
<b>Group net income</b>	<b>42</b>	<b>43</b>	<b>-11.0%*</b>	<b>108</b>	<b>108</b>	<b>-1.8%*</b>
C/I ratio	66%	64%		68%	70%	

### \_SG Commitment to Russia

In EUR bn	Q3 19	Q4 18	Q4 17	Q4 16
Book value	3.0	2.8	2.8	2.7
Intragroup Funding				
- Sub. Loan	0.5	0.5	0.5	0.6
- Senior	0.0	0.0	0.0	0.0

NB. The Rosbank Group book value amounts to EUR 3.0bn at Q3 19, not including translation reserves of EUR -0.9bn, already deducted from Group Equity

**Q3 19 RONE : 13.7%**

\* When adjusted for changes in Group structure and at constant exchange rates  
 (1) Contribution of Rosbank, Delta Credit Bank, Rusfinance Bank, Societe Generale Insurance, ALD Automotive, and their consolidated subsidiaries to Group businesses results  
 Net banking income, operating expenses, cost to income ratio: see Methodology



# GLOBAL BANKING AND INVESTOR SOLUTIONS QUARTERLY RESULTS

<i>In EUR m</i>	Global Markets and Investor Services			Financing and Advisory			Asset and Wealth Management			Total Global Banking and Investor Solutions			
	Q3 19	Q3 18	Change	Q3 19	Q3 18	Change	Q3 19	Q3 18	Change	Q3 19	Q3 18	Change	
Net banking income	1,191	1,312	-10.7%*	604	632	-5.7%*	218	234	-3.5%*	2,013	2,178	-7.6%	-8.5%*
Operating expenses	(1,053)	(1,102)	-5.2%*	(376)	(385)	-3.1%*	(209)	(223)	-1.2%*	(1,638)	(1,710)	-4.2%	-4.7%*
Gross operating income	138	210	-38.0%*	228	247	-9.6%*	9	11	-37.1%*	375	468	-19.9%	-21.9%*
Net cost of risk	(1)	(17)	-94.1%*	(62)	4	n/s	(2)	(2)	-0.1%*	(65)	(15)	x4.3	x4.6
Operating income	137	193	-33.5%*	166	251	-35.4%*	7	9	-43.1%*	310	453	-31.6%	-33.5%*
Net profits or losses from other assets	2	0		0	0		0	0		2	0		
Net income from companies accounted for by the equity method	1	0		0	0		0	1		1	1		
Impairment losses on goodwill	0	0		0	0		0	0		0	0		
Income tax	(32)	(50)		(21)	(49)		(1)	(3)		(54)	(102)		
Net income	108	143		145	202		6	7		259	352		
O.w. non controlling Interests	5	7		0	0		1	0		6	7		
Group net income	103	136	-29.4%*	145	202	-29.8%*	5	7	-47.4%*	253	345	-26.7%	-28.7%*
Average allocated capital	8,274	8,774		5,544	6,012		921	1,147		14,739	15,933		
C/I ratio	88%	84%		62%	61%		96%	95%		81%	79%		

\* When adjusted for changes in Group structure and at constant exchange rates  
Net banking income, operating expenses, cost to income ratio, allocated capital: see Methodology

# GLOBAL BANKING AND INVESTOR SOLUTIONS

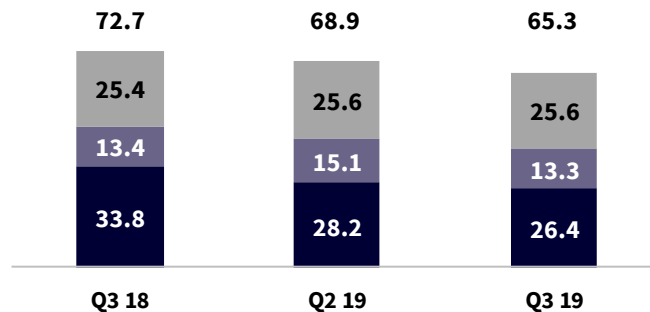
## 9M 19 RESULTS

In EUR m	Global Markets and Investor Services			Financing and Advisory			Asset and Wealth Management			Total Global Banking and Investor Solutions		
	9M 19	9M 18	Change	9M 19	9M 18	Change	9M 19	9M 18	Change	9M 19	9M 18	Change
Net banking income	3,910	4,262	-10.4%*	1,904	1,809	+3.3%*	704	734	-2.0%*	6,518	6,805	-4.2% -5.9%*
Operating expenses	(3,664)	(3,585)	+0.8%*	(1,242)	(1,201)	+1.9%*	(673)	(676)	+3.0%*	(5,579)	(5,462)	+2.1% +1.1%*
Gross operating income	246	677	-66.3%*	662	608	+5.9%*	31	58	-52.4%*	939	1,343	-30.1% -33.2%*
Net cost of risk	(4)	(18)	-77.7%*	(140)	36	n/s	4	(13)	n/s	(140)	5	n/s n/s
Operating income	242	659	-66.0%*	522	644	-21.1%*	35	45	-32.8%*	799	1,348	-40.7% -43.4%*
Net profits or losses from other assets	2	(1)		0	0		0	(14)		2	(15)	
Net income from companies accounted for by the equity method	6	5		(1)	(1)		0	0		5	4	
Impairment losses on goodwill	0	0		0	0		0	0		0	0	
Income tax	(58)	(174)		(56)	(118)		(8)	(9)		(122)	(301)	
Net income	192	489		465	525		27	22		684	1,036	
O.w. non controlling interests	15	17		0	0		2	1		17	18	
Group net income	177	472	-65.4%*	465	525	-13.6%*	25	21	-5.1%*	667	1,018	-34.5% -37.4%*
Average allocated capital	8,648	8,462		5,932	5,665		1,042	1,111		15,622	15,238	
C/I ratio	94%	84%		65%	66%		96%	92%		86%	80%	

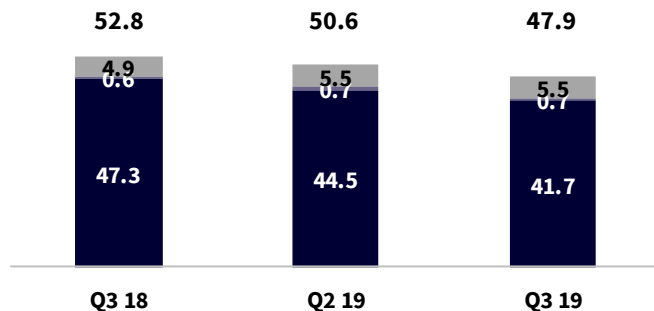
\* When adjusted for changes in Group structure and at constant exchange rates  
Net banking income, operating expenses, Cost to income ratio, allocated capital : see Methodology

# GLOBAL BANKING AND INVESTOR SOLUTIONS RISK-WEIGHTED ASSETS IN EUR BN

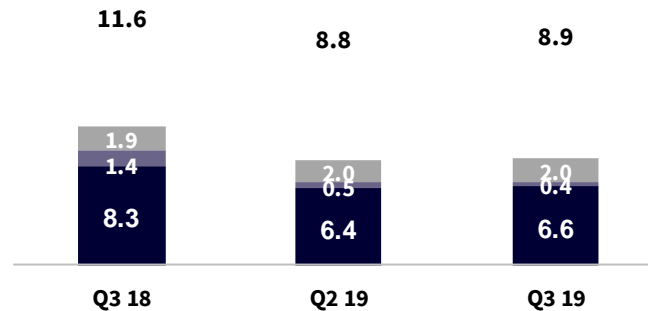
\_Global Markets and Investor Services



\_Financing and Advisory



\_Asset and Wealth Management

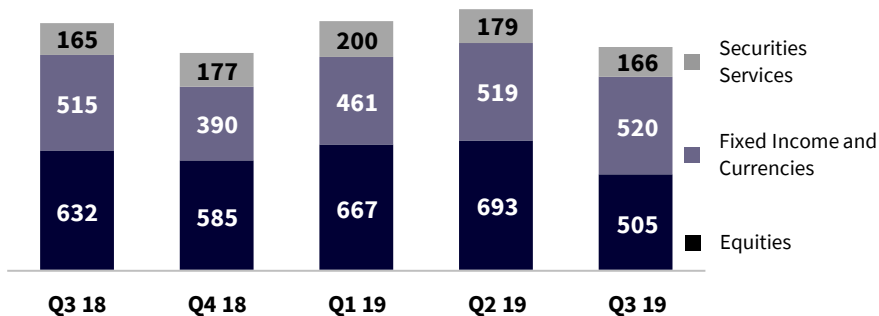


Operational  
Market  
Credit

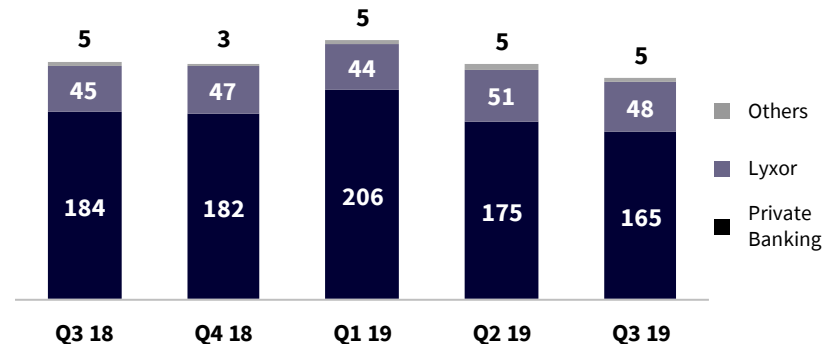
Historical series restated according to new quarterly series published on 30 September 2019

# GLOBAL BANKING AND INVESTOR SOLUTIONS REVENUES

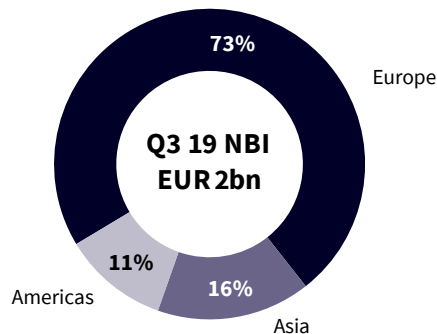
\_Global Markets and Investor Services Revenues (in EUR m)<sup>(1)</sup>



\_Asset and Wealth Management Revenues (in EUR m)



\_Revenues Split by Region (in %)

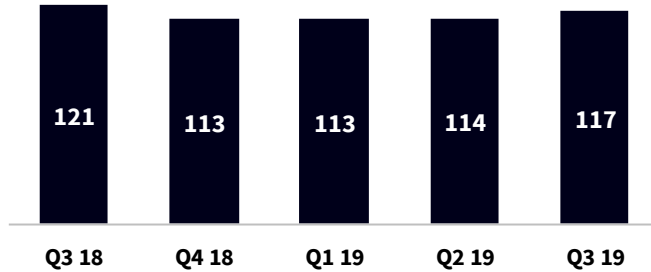


(1) Historical series restated according to new quarterly series published on 30 September 2019

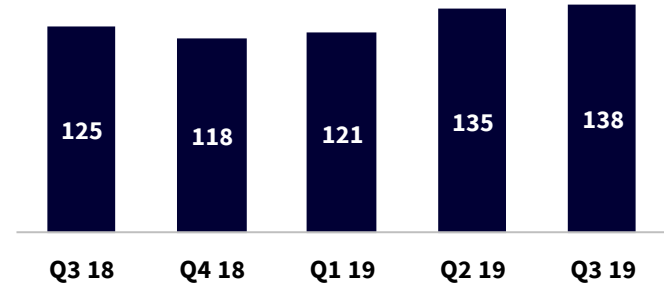
# GLOBAL BANKING AND INVESTOR SOLUTIONS

## KEY FIGURES

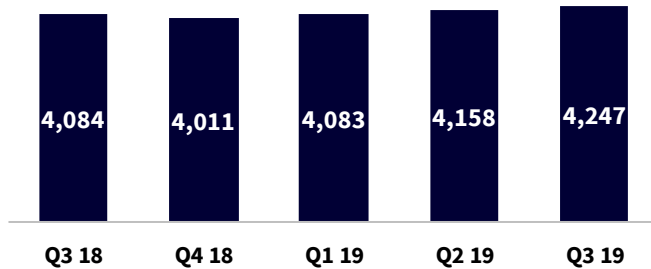
\_Private Banking: Assets under Management (in EUR bn)



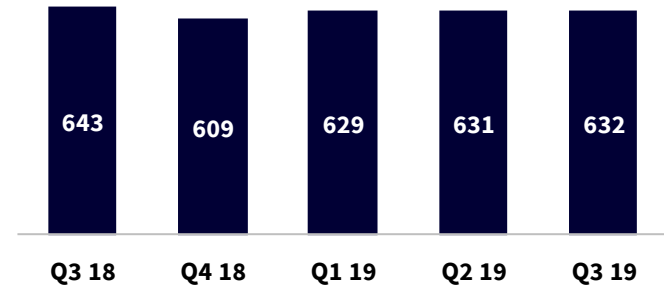
\_Lyxor: Assets under Management (in EUR bn)



\_Securities Services: Assets under Custody (in EUR bn)



\_Securities Services: Assets under Administration (in EUR bn)



# GLOBAL BANKING AND INVESTOR SOLUTIONS

## CVA/DVA IMPACT

NBI impact					
	Q3 18	Q4 18	Q1 19	Q2 19	Q3 19
Equities	3	(9)	10	4	0
Fixed income and Currencies	12	(34)	29	7	(15)
Financing and Advisory	5	(8)	1	(1)	(9)
<b>Total</b>	<b>19</b>	<b>(51)</b>	<b>39</b>	<b>9</b>	<b>(24)</b>

Historical series restated according to new quarterly series published on 30 September 2019

# GLOBAL BANKING AND INVESTOR SOLUTIONS LEAGUE TABLES - RANKINGS - AWARDS

## Financing and Advisory



### The Banker Investment Banking Awards 2019

- Most innovative investment bank for infrastructure and project finance



### Emea Finance Treasury Services Awards 2019

- Best Transactional Bank for Financial Institutions in Europe, CEE and Africa
- Best Factoring Services in EMEA, Europe and Africa
- Best Trade Finance Services in EMEA, CEE, and North Africa



### Leading positions

#### CAPITAL MARKETS

- #1 ECM house in France
- #4 Equity-Linked house in EMEA
- #3 All Euro Bonds
- #2 All Euro FIG Bonds
- #2 All Euro Corporate Bonds in EMEA
- #5 All Green, Social and Sustainable Bonds in Europe
- #2 Global Securitisation in EUR

Source: Dealogic League Tables unless otherwise stated. Time period from 1st Jan to 30th Sept 2019



### SCI Capital Relief Trades Awards 2019

- Winner Innovation of the year & honorable mention Impact Deal of the year in for Jupiter Transaction with Mariner Investment Group



### Euromoney Market Leader Survey 2019

- #1 Cash Management Market Leader in France

#### CORPORATE & STRUCTURED FINANCE

- #4 in M&A for Targets in France by deal count
- #1 Acquisition Finance MLA in France
- #3 Acquisition Finance Bookrunner in France
- #2 Renewable Energy Project Finance MLA in Europe for (IJ Global)
- #4 Project Finance MLA in EMEA

## Global Markets and Investor Services



### The Banker Tech Projects Awards 2019

- SGMarks **Developer Portal** wins the API category



### Euromoney Fixed Income Research 2019

- #3 Overall Credit Strategy
- #3 Overall Fixed Income Research
- #6 Actionable Trade Ideas



### HFM European Quant Services Awards 2019

- Best Bank FCM



### Global Excellence Awards

- Major Market Asset Servicing : Southern Europe
- Agent Bank in Frontier Market with the Highest local market score : Romania ,Tunisia and Ivory Coast
- Agent banking in Emerging Markets with Top local market score : Russia



### Global Capital Derivatives Awards 2019

- “Hedge to Pledge » Industry initiative of the year



### World's Best Banks 2019

- Best Derivatives Bank



### Asia Risk Awards 2019

- Asia structured products house of the year
- Interest rate derivatives house of the year
- Credit derivatives house of the year



### ISF Equity Lender Survey & Awards

- Highly commended Global, EMEA & Asia Pacific



### The World's Best Securities Service Providers

- Russia
- Tunisia
- Côte d'Ivoire
- Romania

# FINANCING & ADVISORY SUPPORTING CLIENTS IN THEIR TRANSFORMATIONS

CLIENT PROXIMITY  
INNOVATION  
PRODUCT EXCELLENCE  
INDUSTRY EXPERTISE  
ADVISORY CAPACITY  
GLOBAL COVERAGE



**TIKEHAU CAPITAL**  
Joint Global Coordinator, Joint  
Bookrunner

EUR 715m – Capital increase via a 5-day fully marketed equity offering, largest share capital increase in France in 2019



**APOLLO**  
Financial Advisor

EUR 600m – Disposal of Seguradoras Unidas and AdvanceCare to Generali, landmark transaction in the Portuguese insurance sector



**CDG EXPRESS**  
Financial Advisor, MLA, Agent,  
Hedging Bank

EUR 230m – CDG express project financing, new direct rail between Paris and CDG airport, a sustainable public transport within the Grand Paris development project



**ENEL**  
Joint Bookrunner, Sole swap  
counterparty

USD 1.5bn Bond – World's first Corporate Sustainable Development Goal (SDG) Linked Bond and World's first Sustainability-linked Cross Currency Swap



**LATITUDE AUSTRALIA**  
JLM

AUD 750m – two AAA rated tranches of public ABS issued by Latitude Australia Credit Card Master Trust



**BOUYGUES / ALSTOM**  
Joint Global Coordinator, Joint  
Bookrunner

EUR 1.1bn – Placement of 29m Alstom shares on behalf of Bouygues through an Accelerated Bookbuilding (ABB)





# METHODOLOGY (1/3)

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**1 – The financial information presented for the third quarter and nine months ended 30 September 2019 was reviewed by the Board of Directors on 5 November 2019 and has been prepared in accordance with IFRS as adopted in the European Union and applicable at this date, and has not been audited.**

## **2 – Net banking income**

The pillars' net banking income is defined on page 40 of Societe Generale's 2019 Universal Registration Document. The terms "Revenues" or "Net Banking Income" are used interchangeably. They provide a normalised measure of each pillar's net banking income taking into account the normative capital mobilised for its activity.

## **3 – Operating expenses**

**Operating expenses** correspond to the "Operating Expenses" as presented in note 8.1 to the Group's consolidated financial statements as at December 31<sup>st</sup>, 2018 (pages 416 et seq. of the 2019 Universal Registration Document). The term "costs" is also used to refer to Operating Expenses.

The **Cost/Income Ratio** is defined on page 40 of Societe Generale's 2019 Universal Registration Document.

## **4 – IFRIC 21 adjustment**

The IFRIC 21 adjustment corrects the result of the charges recognised in the accounts in their entirety when they are due (generating event) so as to recognise only the portion relating to the current quarter, i.e. a quarter of the total. It consists in smoothing the charge recognised accordingly over the financial year in order to provide a more economic idea of the costs actually attributable to the activity over the period analysed.

## **5 – Exceptional items – transition from accounting data to underlying data**

The Group may be required to provide underlying indicators for a clearer understanding of its actual performance. Underlying data is obtained from reported data by restating the latter to take into account exceptional items and the IFRIC 21 adjustment

The Group restates also the revenues and earnings of the French Retail Banking pillar for PEL/CEL provision allocations or write-backs. This adjustment makes it easier to identify the revenues and earnings relating to the pillar's activity, by excluding the volatile component related to commitments specific to regulated savings.

Details of these items, as well as the other items that are the subject of a one-off or recurring restatement (exceptional items) are given in the appendix (page 30).

# METHODOLOGY (2/3)

## 6 – Cost of risk in basis points, coverage ratio for non performing loans

The cost of risk or commercial cost of risk is defined on pages 42 and 562 of Societe Generale's 2019 Universal Registration Document. This indicator makes it possible to assess the level of risk of each of the pillars as a percentage of balance sheet loan commitments, including operating leases. The gross coverage ratio for Non performing loans is calculated as the ratio of provisions recognised in respect of the credit risk to gross outstandings identified as in default within the meaning of the regulations, without taking account of any guarantees provided. This coverage ratio measures the maximum residual risk associated with outstandings in default ("non performing").

	(In EUR m)	Q3 19	Q3 18	9M 19	9M 18
<b>French Retail Banking</b>	Net Cost Of Risk	95	118	318	346
	Gross loan Outstandings	195,305	186,639	193,208	186,031
	<b>Cost of Risk in bp</b>	<b>19</b>	<b>25</b>	<b>22</b>	<b>25</b>
<b>International Retail Banking and Financial Services</b>	Net Cost Of Risk	169	124	430	290
	Gross loan Outstandings	138,493	135,671	135,996	133,350
	<b>Cost of Risk in bp</b>	<b>49</b>	<b>37</b>	<b>42</b>	<b>29</b>
<b>Global Banking and Investor Solutions</b>	Net Cost Of Risk	65	16	140	(5)
	Gross loan Outstandings	160,906	156,723	163,310	151,240
	<b>Cost of Risk in bp</b>	<b>16</b>	<b>4</b>	<b>11</b>	<b>(0)</b>
<b>Corporate Centre</b>	Net Cost Of Risk	0	6	19	11
	Gross loan Outstandings	9,944	8,100	9,299	7,266
	<b>Cost of Risk in bp</b>	<b>2</b>	<b>29</b>	<b>27</b>	<b>20</b>
<b>Societe Generale Group</b>	Net Cost Of Risk	329	264	907	642
	Gross loan Outstandings	504,647	487,133	501,813	477,887
	<b>Cost of Risk in bp</b>	<b>26</b>	<b>22</b>	<b>24</b>	<b>18</b>

## 7 – ROE, RONE, ROTE

The notion of ROE (Return On Equity) and ROTE (Return On Tangible Equity), as well as the methodology for calculating it, are specified on pages 42 and 43 of Societe Generale's 2019 Universal Registration Document. This measure makes it possible to assess return on equity and Societe Generale's return on equity tangible.

RONE (*Return on Normative Equity*) determines the return on average normative equity allocated to the Group's businesses, according to the principles presented on page 43 of Societe Generale's 2019 Universal Registration Document.

# METHODOLOGY (3/3)

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The net result by the group retained for the numerator of the ratio is the net profit attributable to the accounting group adjusted by the interest to be paid on TSS & TSDI, interest paid to the holders of TSS & TSDI amortization of premiums issues and unrealized gains/losses accounted in equity, excluding translation reserves (see methodological Note 9). For the ROTE, the result is also restated for impairment of goodwill.

**8 – Net assets and tangible net assets** are defined in the methodology, page 45 of the Group’s 2019 Universal Registration Document.

## **9 – Calculation of Earnings Per Share (EPS)**

The EPS published by Societe Generale is calculated according to the rules defined by the IAS 33 standard (see page 44 of Societe Generale’s 2019 Universal Registration Document). The corrections made to Group net income in order to calculate EPS correspond to the restatements carried out for the calculation of ROE and ROTE. For indicative purpose, the Group also publishes EPS adjusted for the impact of exceptional items and for IFRIC 21 adjustment (Underlying EPS).

**10 –** The Societe Generale Group’s **Common Equity Tier 1 capital** is calculated in accordance with applicable CRR/CRD4 rules. The fully-loaded **solvency ratios** are presented pro forma for current earnings, net of dividends, for the current financial year, unless specified otherwise. When there is reference to phased-in ratios, these do not include the earnings for the current financial year, unless specified otherwise. The leverage ratio is calculated according to applicable CRR/CRD4 rules including the provisions of the delegated act of October 2014.

**11 –** The **liquid asset buffer** or liquidity reserve includes 1/ central bank cash and deposits recognized for the calculation of the liquidity buffer for the LCR ratio, 2/ liquid assets rapidly tradable in the market (High Quality Liquid Assets or HQLA), unencumbered net of haircuts, as included in the liquidity buffer for the LCR ratio and 3/ central bank eligible assets, unencumbered net of haircuts.

**12 –** The **“Long Term Funding” outstanding** is based on the Group financial statements and on the following adjustments allowing for a more economic reading. It then Includes interbank liabilities and debt securities issued with a maturity above one year at inception. Issues placed in the Group’s Retail Banking networks (recorded in medium/long-term financing) are removed from the total of debt securities issued.

Note: The sum of values contained in the tables and analyses may differ slightly from the total reported due to rounding rules. All the information on the results for the period (notably: press release, downloadable data, presentation slides and supplement) is available on Societe Generale’s website [www.societegenerale.com](http://www.societegenerale.com) in the “Investor” section.

## **INVESTOR RELATIONS TEAM**

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**[www.societegenerale.com/en/investors](http://www.societegenerale.com/en/investors)**