

## Press Release

### Quarterly financial information

May 5th, 2010

## Satisfactory first quarter: commercial and financial performances reinforcing full-year targets

- **Group revenues: +32.6%\* vs. Q1 09**
- **Cost to income ratio: 60.8%**
- **First signs of improvement in the cost of risk: 91 bp\*\***
- **Group ROE: 11.1%**
- **Group net income: EUR 1.06bn**
- **Solid capital position**
  - **Tier 1 Ratio (Basel II): 10.6% o/w 8.5% Core Tier 1**

\* When adjusted for changes in Group structure and at constant exchange rates. For the Group and the "Private Banking, Global Investment Management and Services" division, changes in Group structure means excluding the "Asset Management" activity following the setting up of Amundi.

\*\* Cost of risk excluding litigation issues and Legacy assets

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At its May 4th, 2010 meeting, the Board of Directors of Societe Generale approved the financial statements for Q1 2010. Group net income totalled EUR 1.06 billion and reflects:

- (i) the commercial dynamism of retail banking activities and the quality of Corporate and Investment Banking's customer franchises,
- (ii) the gradual recovery in the profitability of Specialised Financing activities,
- (iii) signs of improvement in the cost of risk even though it remains high.

The beginning of 2010 has provided further evidence of the improvement in the global economic outlook, albeit with considerable disparities from one region to another. The pick-up in activity in developed European countries is much less pronounced than in the other areas of the world and is likely to be constrained by the indispensable measures to reduce public deficits and debt. There is also continuing uncertainty regarding the new regulatory and prudential environment applicable to the banking sector.

Against this backdrop and with solid customer franchises, an operating infrastructure in the process of being streamlined and a robust capital position, the Societe Generale Group has continued to develop its businesses and produced satisfactory Q1 results that reinforce the targets announced when the 2009 full-year results were published.

## 1. GROUP CONSOLIDATED RESULTS

<i>In EUR m</i>	Q1 09	Q1 10	Change Q1/Q1
<b>Net banking income</b>	<b>4,913</b>	<b>6,581</b>	<b>+34.0%</b>
<i>On a like-for-like basis*</i>			<b>+32.6%</b>
<b>Operating expenses</b>	<b>(3,777)</b>	<b>(4,001)</b>	<b>+5.9%</b>
<i>On a like-for-like basis*</i>			<b>+4.0%</b>
<b>Gross operating income</b>	<b>1,136</b>	<b>2,580</b>	<b>x2.3</b>
<i>On a like-for-like basis*</i>			<b>x 2,3</b>
<b>Net allocation to provisions</b>	<b>(1,354)</b>	<b>(1,132)</b>	<b>-16.4%</b>
<b>Operating income</b>	<b>(218)</b>	<b>1,448</b>	<b>NM</b>
<i>On a like-for-like basis*</i>			<b>NM</b>
<b>Group share of net income</b>	<b>(278)</b>	<b>1,063</b>	<b>NM</b>

	Q1 09	Q1 10
<b>Group ROE after tax</b>	<b>NM</b>	<b>11.1%</b>
<b>ROE of core businesses after tax</b>	<b>3.6%</b>	<b>17.3%</b>

### Net banking income

Societe Generale's revenues were up 32.6%\* in Q1 2010 (+34.0% in absolute terms) at EUR 6.6 billion, confirming the announced rebound.

The Group's three core businesses (French Networks, International Retail Banking and Corporate and Investment Banking) posted good commercial and financial performances. The significant growth in the net banking income of **Retail Banking in France** (+6.9%<sup>(a)</sup> to EUR 1.9 billion) testifies to the attractiveness and complementary nature of its brands (Societe Generale, Cr dit du Nord and Boursorama). **International Retail Banking** revenues (EUR 1.2 billion, stable vs. Q1 09) reflect the quality of the customer franchises in an environment marked by significant economic disparities.

<sup>(a)</sup> Excluding PEL/CEL provision

Finally, there was a sharp rebound in the revenues of **Corporate and Investment Banking's** core activities in Q1 10 compared with Q4 09 (+34.8%\*).

With Q1 net inflow of EUR +1.4 billion, **Private Banking** continues to grow. Finally, **Specialised Financing & Insurance** and **Securities Services & Brokers** posted Q1 revenues of respectively EUR 0.8 billion and EUR 0.3 billion.

### **Operating expenses**

The Group's operating expenses totalled EUR 4.0 billion in Q1, up +4.0%\* vs. Q1 09 (+5.9% in absolute terms).

As a result, Societe Generale's Q1 cost to income ratio was 60.8% (76.9% in Q1 09).

### **Operating income**

The Group's Q1 gross operating income was sharply higher than in Q1 09 (x2.3\*) at EUR 2.6 billion, with legacy assets having a limited negative impact (EUR -35 million in Q1 10 vs. EUR -1,601 million in Q1 09).

At 91 basis points in Q1 10, risk provisions divided by loans and receivables show a significant improvement compared with the previous quarter (110 basis points in Q4 09). The cost of risk remains at a high level but reflects the first signs of improvement.

- The French Networks' cost of risk amounted to EUR -232 million (54 basis points vs. 74 basis points in Q4 09). The decrease reflects the decline in the cost of risk for business customers, even though the level remains high. The loss rate for individual customers remains low.
- International Retail Banking's cost of risk was higher in Q1 10, at 225 basis points vs. 209 basis points in Q4 09. This includes specific and collective provision allocations for Greece of EUR -48 and -101 million respectively (to take account of the deterioration in the macro-economic situation), which conceal the decline in the cost of risk particularly in Russia and the Czech Republic.
- There was an improvement in Specialised Financing's cost of risk at 237 basis points in Q1 10 (vs. 294 basis points in Q4 09). Equipment finance posted a lower cost of risk whereas the figure was still high for consumer finance.
- The cost of risk related to Corporate and Investment Banking's core activities was particularly low at EUR -19 million, or 8 basis points (vs. 35 basis points in Q4 09), confirming the excellent performance of the Corporate clients portfolio. Legacy assets generated a cost of risk of EUR -214 million.

Moreover, in addition to its 54% stake in Geniki Bank, the Group's exposure to Greece in all its banking and insurance subsidiaries represented (at end-April) around EUR 3 billion for the Greek state and an insignificant amount for banking and corporate counterparties.

The Group's Q1 operating income totalled EUR 1.4 billion.

### **Net income**

After tax (the Group's effective tax rate was 25.7%) and minority interests, Group net income totalled EUR 1.06 billion.

Earnings per share amounts to EUR 1.36 for this period, after deducting the interest to be paid to holders of deeply subordinated notes and undated subordinated notes<sup>1</sup>.

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<sup>1</sup> Interest net of the tax effect to be paid at end-March 2010 to holders of deeply subordinated notes (EUR 76 million) and undated subordinated notes (EUR 6 million).

## 2. THE GROUP'S FINANCIAL STRUCTURE

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Group shareholders' equity totalled EUR 43.9 billion<sup>1</sup> at March 31st, 2010 and net asset value per share was EUR 51.23 (including EUR +0.01 of unrealised capital gains).

Societe Generale purchased 2.0 million shares in the first three months of 2010. As a result, at March 31st, 2010, Societe Generale possessed, directly and indirectly, 21.1 million shares (including 9.0 million treasury shares), representing 2.85% of the capital (excluding shares held for trading purposes). At this date, Societe Generale also held 7.5 million purchase options on its own shares to cover stock option plans allocated to its employees.

Basel II risk-weighted assets (EUR 326.2 billion at March 31st, 2010 vs. EUR 324.1 billion at December 31st, 2009) were slightly higher (+0.7%) in Q1. The Group maintained its prudent policy regarding Corporate and Investment Banking's market risks, with these down -8.3% vs. end-2009.

Societe Generale's Tier 1 and Core Tier 1 ratios were respectively 10.6% and 8.5% at March 31st, 2010, providing further evidence of the Group's solid capital position.

The Group is rated Aa2 by Moody's and A+ by S&P and Fitch.

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<sup>1</sup> This figure includes notably (i) EUR 6.4 billion of deeply subordinated notes, EUR 0.8 billion of undated subordinated notes and (ii) EUR 0.01 billion of net unrealised capital gains.

### 3. FRENCH NETWORKS

<i>In EUR m</i>	Q1 09	Q1 10	Change Q1/Q1
<b>Net banking income</b>	<b>1,781</b>	<b>1,892</b>	<b>+6.2%</b>
<i>NBI excl. PEL/CEL</i>			<b>+6.9%</b>
<b>Operating expenses</b>	<b>(1,198)</b>	<b>(1,241)</b>	<b>+3.6%</b>
<b>Gross operating income</b>	<b>583</b>	<b>651</b>	<b>+11.7%</b>
<i>GOI excl. PEL/CEL</i>			<b>+13.6%</b>
<b>Net allocation to provisions</b>	<b>(230)</b>	<b>(232)</b>	<b>+0.9%</b>
<b>Operating income</b>	<b>353</b>	<b>419</b>	<b>+18.7%</b>
<b>Group share of net income</b>	<b>224</b>	<b>279</b>	<b>+24.6%</b>
<i>Net income excl. PEL/CEL</i>			<b>+27.7%</b>

	Q1 09	Q1 10
<b>ROE (after tax)</b>	<b>14.7%</b>	<b>17.0%</b>

In a still fragile economic environment, the French Networks (Societe Generale, Crédit du Nord, Boursorama) enjoyed an excellent Q1.

Commercial performances provided further evidence of the dynamic rebound that began in H2 2009: at EUR 117.2 billion<sup>(1)</sup>, average outstanding deposits increased at the buoyant rate of +6.2% vs. Q1 09, reflecting the success of the commercial offerings. Against the backdrop of a still timid recovery in overall loan demand, average outstanding loans proved fairly resilient, growing +1.5% vs. Q1 09 to EUR 161.3 billion.

In terms of **individual customers**, net account openings remained robust and amounted to nearly 50,000 units in Q1, taking the total number of personal current accounts to approximately 6.6 million.

Helped by low interest rates, sight deposits continued to enjoy strong growth (+9.6% vs. Q1 09). Against this backdrop, the ongoing attractive offering, especially for the Home Ownership Savings Plan, has proved a success, resulting in buoyant overall growth in Special Savings Scheme outstandings (+6.1% vs. Q1 09). All in all, outstanding balance sheet deposits for individual customers rose +4.0% vs. Q1 09.

Off-balance sheet savings also testify to a good commercial momentum. Life insurance continued the recovery initiated in H2 2009, with gross inflow of EUR 2.8 billion, up +24.8% vs. Q1 09, and outstandings up +9.7% over the same period. Driven primarily by the dynamism of Boursorama, stock market orders were also higher (+4.7%) than in Q1 09.

In a still favourable environment for property investment, new housing loan business remained vigorous: at EUR 4.1 billion, it saw a return to pre-crisis levels, or double the new business in Q1 09 and was up +7.0% vs. Q4 09. As a result, outstanding housing loans rose +4.7% vs. Q1 09. Overall, outstanding loans to individuals were up +4.2% over the same period.

In the **business customer** market, uncertainty surrounding the conditions for an economic recovery is still adversely affecting activity. While deposits have maintained a healthy commercial momentum, outstanding loans are suffering from still weak demand.

<sup>(1)</sup> Including negotiable medium-term notes issued to French Network customers.

Testifying to the success of the campaigns for renewed commercial offerings, outstanding term deposits continued to enjoy dynamic growth (+49.5% vs. Q1 09) and were a major contributor to the 10.3% growth vs. Q1 09 in average outstanding deposits, with sight deposits remaining stable (+0.6%) over the same period.

However, on the loan front, demand has remained weak given the still lacklustre environment and the fact that companies have benefited from government measures aimed at relieving their cash situation. As a result, outstanding operating loans shrank by -8.9% vs. Q1 09, whereas investment loans managed to maintain growth of +3.3% over the same period. Overall, average outstanding corporate loans were stable (-0.2%) vs. Q1 09.

In terms of **financial results**, the French Networks posted an excellent performance. At EUR 1,892 million, net banking income rose +6.9%<sup>(a)</sup> vs. Q1 09. This was driven primarily by the increase in the interest margin generated with individual customers (+8.9%<sup>(a)</sup> vs. Q1 09) and by the renewed rise in financial commissions (+8.2% vs. Q1 09), which have benefited from the good performances of life insurance and the recovery of stock market indexes year-on-year. This excellent start to the year reinforces the full-year growth target for net banking income of around 3% for 2010.

The controlled increase (+3.6% vs. Q1 09) in operating expenses has also helped to significantly improve the French Networks' cost to income ratio which, at 65.3%<sup>(a)</sup>, is down -2.0 points vs. Q1 09.

After a sharp rise in Q4 09 (74 basis points), mainly due to significant provision allocations on a limited number of accounts, the French Networks' cost of risk fell to 54 basis points in Q1 10. Although still low for individual customers, the cost remains high for business customers, but is generally returning to a level in line with the division's guidance.

In Q1 10, the French Networks' contribution to Group net income totalled EUR 279 million and ROE (excluding the PEL/CEL effect) was 17.4%, vs. respectively EUR 224 million and 14.7% in Q1 09.

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<sup>(a)</sup> Excluding the PEL/CEL effect

#### 4. INTERNATIONAL RETAIL BANKING

<i>In EUR m</i>	Q1 09	Q1 10	Change Q1/Q1
<b>Net banking income</b>	<b>1,167</b>	<b>1,183</b>	<b>+1.4%</b>
<i>On a like-for-like basis*</i>			<b>-1.8%</b>
<b>Operating expenses</b>	<b>(663)</b>	<b>(658)</b>	<b>-0.8%</b>
<i>On a like-for-like basis*</i>			<b>-4.1%</b>
<b>Gross operating income</b>	<b>504</b>	<b>525</b>	<b>+4.2%</b>
<i>On a like-for-like basis*</i>			<b>+1.4%</b>
<b>Net allocation to provisions</b>	<b>(299)</b>	<b>(366)</b>	<b>+22.4%</b>
<b>Operating income</b>	<b>205</b>	<b>159</b>	<b>-22.4%</b>
<i>On a like-for-like basis*</i>			<b>-22.0%</b>
<b>Group share of net income</b>	<b>121</b>	<b>114</b>	<b>-5.8%</b>

	Q1 09	Q1 10
<b>ROE (after tax)</b>	<b>13.6%</b>	<b>12.7%</b>

In an environment still marked by substantial economic disparities across geographical regions, International Retail Banking has capitalised on the implementation of differentiated strategies and achieved generally satisfactory results.

Expansion of the commercial operation continued, albeit at a slower pace (11 net branch openings in Q1 10). The Mediterranean Basin, Sub-Saharan Africa and French overseas departments/territories were the main beneficiaries.

The overall good resilience of outstandings, with a limited decline of -4.2%\* for loans and growth of +2.0%\* for deposits vs. Q1 09, reflects the combined effects of the measures to adapt loan approval policies and reinforce deposit inflow implemented since end-2008 in order to deal with the deterioration in the environment. These trends reflect contrasting situations across regions.

The crisis has had a considerable impact in Greece, with a decline in the performance of Geniki Bank. In light of this situation, the Group has implemented a number of precautionary measures, in particular tightening its loan approval conditions and cutting costs.

In the other Central and Eastern European countries and in Russia, there is a trend towards the gradual normalisation of the economic environment. Accordingly, the slowdown remains marked in Russia, despite the first encouraging signs of recovery at the end of Q1 for individual customers. Other countries exhibited good overall resilience (-1.8%\* for loans and +1.6%\* for deposits vs. Q1 09), reflecting the robustness of the customer franchises in the region.

Much less affected by the economic slowdown, the Mediterranean Basin continued to demonstrate considerable commercial dynamism. Outstandings were up +6.4%\* for loans and +12.0%\* for deposits vs. Q1 09. Sub-Saharan Africa and French overseas departments/territories provided further evidence of their good performances and continued to consolidate their customer franchises.

Overall, International Retail Banking's outstanding loans and deposits amounted to respectively EUR 61.8 billion and EUR 64.2 billion at end-March 2010, i.e. a loan/deposit ratio that remains satisfactory at 96%.

Against this backdrop, International Retail Banking revenues proved highly resilient (-1.8%\* vs. Q1 09), at EUR 1,183 million.

Effective control of operating expenses (-4.1%\* vs. Q1 09 at EUR -658 million) reflects the efforts that have already been undertaken for several quarters to streamline the infrastructure, pool costs and seek out synergies.

Overall, gross operating income rose +1.4%\* vs. Q1 09 to EUR 525 million. The cost to income ratio improved by 1.2 point vs. Q1 09 to 55.6% in Q1 10.

International Retail Banking's cost of risk was EUR -366 million in Q1 10, or 225 basis points vs. 209 basis points in Q4 09. The increase is due primarily to the high level of provisions for Greece, including a substantial portfolio-based provision to take account of the deterioration in the macro-economic situation (EUR -101 million). If Greece is stripped out, International Retail Banking's cost of risk amounts to 144 basis points. This is lower than in Q4 09, especially for Russia (371 basis points vs. 490 basis points in Q4 09), and the Czech Republic (93 basis points vs. 107 basis points in Q4 09).

International Retail Banking's contribution to Group net income totalled EUR 114 million in Q1 10, representing ROE of 12.7%.



## 5. SPECIALISED FINANCING AND INSURANCE

<i>In EUR m</i>	Q1 09	Q1 10	Change Q1/Q1
<b>Net banking income</b>	<b>740</b>	<b>849</b>	<b>+14.7%</b>
<i>On a like-for-like basis*</i>			<b>+10.5%</b>
<b>Operating expenses</b>	<b>(430)</b>	<b>(446)</b>	<b>+3.7%</b>
<i>On a like-for-like basis*</i>			<b>-0.7%</b>
<b>Gross operating income</b>	<b>310</b>	<b>403</b>	<b>+30.0%</b>
<i>On a like-for-like basis*</i>			<b>+25.9%</b>
<b>Net allocation to provisions</b>	<b>(234)</b>	<b>(299)</b>	<b>+27.8%</b>
<b>Operating income</b>	<b>76</b>	<b>104</b>	<b>+36.8%</b>
<i>On a like-for-like basis*</i>			<b>+41.6%</b>
<b>Group share of net income</b>	<b>33</b>	<b>70</b>	<b>x2.1</b>

	Q1 09	Q1 10
<b>ROE (after tax)</b>	<b>3.0%</b>	<b>5.9%</b>

The **Specialised Financing and Insurance** division comprises:

- (i) **Specialised Financing** (consumer finance, equipment finance, operational vehicle leasing and fleet management, IT leasing and management)
- (ii) **Life and Non-Life Insurance.**

After posting substantially lower performances in 2009 due to the economic environment, **Specialised Financing and Insurance** started to see a recovery in its financial results in Q1 2010.

**Consumer finance's** new business amounted to EUR 2.8 billion in Q1, or -4.5%\* (+1.1% in absolute terms) vs. Q1 09, due to the combination of a selective loan approval policy and the lacklustre economic environment. The slowdown results from contrasting situations: stability in Germany despite the ending of car scrappage schemes, resumption of a positive commercial momentum in Russia, slowdown in the downward trend observed in France, decline in Italy in a difficult market.

Outstanding loans totalled EUR 23.4 billion at March 31st, 2010 vs. EUR 23.1 billion at end-Q4 09.

New business margins remained stable vs. Q4 09, continuing to be positively impacted by the tariff adjustments introduced during 2009 and the optimisation of refinancing conditions.

Against a general backdrop of low production capacity utilisation, **Equipment Finance** witnessed a slowdown in Q1, with new financing (excluding factoring) lower vs. Q1 09 (EUR 1.5 billion in Q1 10 vs. EUR 2.0 billion in Q1 09), whereas new financing margins continued to hold up well in Q1. In Germany, difficulties in the transport sector had a particularly adverse effect on new financing in Q1 (-36.9%\* vs. Q1 09). Meanwhile, the decline in France was less marked (-19.8%\* vs. Q1 09) since activity is more focused on high-tech financing.

At end-March, outstanding loans (excluding factoring) totalled EUR 18.7 billion, vs. EUR 18.9 billion in Q4 09.

With more than 70,000 leased vehicles in Q1, new business in **operational vehicle leasing and fleet management** was up +17.5% vs. Q1 09. At end-March 2010, the number of vehicles passed the 800,000 mark (including more than 600,000 in operational vehicle leasing), up +2.4% at constant structure vs. Q1 09 (+1.6% in Q1 10). The slight improvement observed in Q4 09 in the used vehicles market was confirmed in Q1 10. Against this backdrop, the activity's financial performances started to see a significant recovery in Q1 10.

**Specialised Financing** revenues totalled EUR 723 million, up +9.3%\* (+14.2% in absolute terms) vs. Q1 09. Measures to control operating expenses continued to have an effect in Q1, resulting in substantially higher gross operating income of EUR 327 million (+26.7%\* and +31.9% in absolute terms vs. Q1 09).

The cost of risk started to fall in Q1 to EUR -299 million vs. EUR -359 million in Q4 09. The decline was more marked for corporate financing, with consumer finance hit by a still deteriorated situation in Poland and Italy.

There was further evidence in Q1 10 of the recovery observed at end-2009 in the **Insurance** activity. Gross life insurance inflow was significantly higher in Q1 (+53.4%\* vs. Q1 09) at EUR 3.2 billion, driven by with-profits vehicles and due to a still favourable environment. Non-life insurance continued to make substantial advances, with an increase of +28.7%\* in net new business in Q1 and strong growth in the home and car insurance segments.

Insurance revenues totalled EUR 126 million in Q1, or +17.8%\* vs. Q1 09.

**Specialised Financing and Insurance's** financial contribution was substantially higher in Q1 10 than in Q1 09. Operating income totalled EUR 104 million in Q1 and the division's contribution to Group net income was EUR 70 million (vs. EUR 33 million in Q1 09).

## 6. PRIVATE BANKING, GLOBAL INVESTMENT MANAGEMENT AND SERVICES

<i>In EUR m</i>	Q1 09	Q1 10	Change Q1/Q1
<b>Net banking income</b>	<b>588</b>	<b>504</b>	<b>-14.3%</b>
<i>On a like-for-like basis*</i>			<b>-11.9%</b>
<b>Operating expenses</b>	<b>(554)</b>	<b>(466)</b>	<b>-15.9%</b>
<i>On a like-for-like basis*</i>			<b>-7.9%</b>
<b>Operating income</b>	<b>16</b>	<b>38</b>	<b>x2.4</b>
<i>On a like-for-like basis*</i>			<b>-12.5%</b>
<b>Group share of net income</b>	<b>15</b>	<b>55</b>	<b>x3.7</b>
<i>o.w. Private Banking</i>	<b>38</b>	<b>24</b>	<b>-36.8%</b>
<i>o.w. Asset Management</i>	<b>(26)</b>	<b>19</b>	<b>NM</b>
<i>o.w. SG SS &amp; Brokers</i>	<b>3</b>	<b>12</b>	<b>x4.0</b>

<i>In EUR bn</i>	Q1 09	Q1 10
<b>Net inflow for period</b>	<b>-1.6<sup>(a)</sup></b>	<b>-11.2<sup>(b)</sup></b>
<b>AuM at end of period</b>	<b>332<sup>(a)</sup></b>	<b>164<sup>(b)</sup></b>

(a) Excluding assets managed by Lyxor

(b) Excluding assets managed by Lyxor and Amundi

The **Private Banking, Global Investment Management and Services** division consists of three major activities:

- (i) **private banking** (Societe Generale Private Banking)
- (ii) **asset management** (Amundi, TCW)
- (iii) **Societe Generale Securities Services** (SGSS) and **Brokers** (Newedge).

In an environment of low interest rates, the activity of the **Private Banking, Global Investment Management and Services** division reflects mixed performances.

**Private Banking** provided further evidence of the quality of its customer franchise in Q1 10. Assets under management were up EUR +3.7 billion compared to December 31st, 2009 on the back of healthy Q1 inflow. **Securities Services'** assets under administration were 2.0% higher than at end-2009 at EUR 459 billion. Assets under custody totalled EUR 3,246 billion, up +5.6% vs. end-2009. **Newedge** continued to gain market share in Q1 (11.9% or +30 basis points vs. Q1 09). Since January 2010, Societe Generale's **Asset Management** arm consists of 80% of TCW (EUR 85.2 billion of assets under management) and 25% of Amundi.

At EUR 504 million, the division's Q1 revenues were down -14.3% (-11.9%<sup>(1)</sup> when adjusted for changes in Group structure and at constant exchange rates) vs. Q1 09. Operating expenses were down -15.9% (-7.9%<sup>(1)</sup> when adjusted for changes in Group structure and at constant exchange rates) vs. Q1 09, reflecting the cost-cutting measures implemented under the infrastructure optimisation plan. Gross operating income totalled EUR 38 million. The division made a profitable EUR 55 million contribution to Group net income.

<sup>(1)</sup> Excluding SGAM effect

## **Private Banking**

Private Banking posted a good commercial performance in Q1 2010.

Benefiting in particular from the successful partnership with the French Networks, Q1 net inflow amounted to EUR +1.4 billion. After factoring in a positive market effect (EUR +0.9 billion) and currency impact (EUR +1.4 billion), Private Banking's assets under management amounted to EUR 79.1 billion, 4.9% higher than at end-2009.

The improvement in the economic and financial environment has prompted a return to risk-taking, with liquid assets reduced in favour of equity assets, structured products and bonds. This reallocation of assets under management has had a downward impact on treasury revenues, adversely affecting Private Banking activity. At EUR 162 million, the business line's net banking income was down -18.6%\* (-17.8% in absolute terms) vs. Q1 09. This decline includes, in particular, an exceptional provision related to an isolated case (EUR -27 million) and a smaller contribution from treasury revenues in Q1.

Operating expenses continued to fall to EUR 130 million, representing a decline of -1.5%\* (-0.8% in absolute terms) vs. Q1 09, due to the ongoing cost-cutting plan.

Q1 gross operating income totalled EUR 32 million and the business line's contribution to Group net income was EUR 24 million vs. EUR 38 million in Q1 09.

## **Asset Management**

As expected, the restructuring undertaken at TCW at end-2009 resulted in a significant outflow in Q1 10. Accordingly, out of total withdrawals of EUR -12.6 billion, EUR -10.8 billion are attributable to the restructured MBS activity, whereas the outflow in other asset classes amounted to only EUR -1.8 billion. Going forward, the restructured MBS activity will be affected by further withdrawals, mainly by institutional clients, most of which have already been announced (EUR -4 billion). April suggests a more favourable trend for the rest of the activity scope, with a positive inflow of EUR +0.9 billion.

The business line's net banking income totalled EUR 83 million on the back of the growth in performance commissions and management fees, underpinned by improved market conditions.

Operating expenses were down -3%<sup>(1)</sup> vs. Q1 09, at EUR -94 million. Gross operating income was EUR -11 million in Q1 10 vs. EUR -39 million in Q1 09.

Amundi's contribution of EUR 26 million takes the contribution to Group net income to EUR 19 million.

## **Societe Generale Securities Services (SGSS) and Brokers (Newedge)**

Despite a lacklustre banking sector, **Securities Services** shows signs of recovery with growth of +2.0% vs. end-December 2009 in assets under administration (EUR 459 billion at end-March 2010) and +5.6% in assets under custody (EUR 3,246 billion at end-March 2010).

**Newedge's** trading volumes rebounded 13% in Q1 10, which exceeded the growth in the market (+11%). As a result, its market share increased by +30 basis points vs. Q1 09 to 11.9%, enabling it to maintain its leadership position in the market (No. 2 ranking in the Futures Commission Merchants' classification in the USA).

In an environment of historically low interest rates, SGSS and Newedge posted slightly lower net banking income (-7.2%\* and -6.8% in absolute terms) vs. Q1 09.

The 11.0%\* decline (-10.7% in absolute terms) in operating expenses vs. Q1 09 contributed to the improvement in gross operating income, which amounted to EUR 17 million in Q1 10 vs. EUR 7 million in Q1 09.

The business line's contribution to Group net income has improved, at EUR 12 million vs. EUR 3 million a year earlier.

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<sup>(1)</sup> Excluding SGAM effect

## 7. CORPORATE AND INVESTMENT BANKING

<i>In EUR m</i>	Q1 09	Q1 10	Change Q1/Q1
<b>Net banking income</b>	1,232	2,144	+74.0%
<i>On a like-for-like basis*</i>			+78.5%
<i>Financing and Advisory</i>	578	602	+4.2%
<i>Global Markets (1)</i>	2,246	1,565	-30.3%
<i>Legacy assets</i>	(1,592)	(23)	+98.6%
<b>Operating expenses</b>	(937)	(1,152)	+22.9%
<i>On a like-for-like basis*</i>			+20.3%
<b>Gross operating income</b>	295	992	x3.4
<i>On a like-for-like basis*</i>			x 3,9
<b>Net allocation to provisions</b>	(569)	(233)	-59.1%
<i>O.w. Legacy assets</i>	(221)	(214)	-3.2%
<b>Operating income</b>	(274)	759	NM
<i>On a like-for-like basis*</i>			NM
<b>Group share of net income</b>	(171)	541	NM

(1) O.w. "Equities" EUR 786m in Q1 10 (EUR 647m in Q1 09) and "Fixed income, Currencies and Commodities" EUR 779m in Q1 10 (EUR 1,599m in Q1 09)

	Q1 09	Q1 10
<b>ROE (after tax)</b>	NM	26.4%

Against the backdrop of a gradual return to market conditions generally similar to those prevailing before the Lehman Brothers' collapse, Corporate and Investment Banking posted good performances with Q1 results in line with targets.

At EUR 2,144 million, the division's revenues were sharply higher (+78.5%\*, +74.0% in absolute terms) vs. Q1 09, which included both substantial losses for legacy assets and also record revenues for core activities given the exceptional market conditions. As a result, although Q1 10 was a good quarter for core activities, their revenues (EUR 2,167 million) were down -23.6%\* (-23.3% in absolute terms) vs. Q1 09. However, they were up +34.8%\* (+37.7% in absolute terms) vs. Q4 09.

The **Global Markets** business line made a good start to the year. At EUR 1,565 million, revenues were admittedly lower (-29.4%\* and -30.3% in absolute terms) than in Q1 09 due primarily to the return to normal levels of activity and market conditions for Fixed Income, Currencies & Commodities. However, revenues rose +61.1%\* (+64.8% in absolute terms) vs. Q4 09. This positive revenue trend was also achieved with contained risk-taking, as testified by VaR's return to pre-crisis levels (EUR 27 million vs. EUR 30 million in Q4 09).

**Equities** generated solid results, up +21.5% vs. Q1 09 at EUR 786 million. Against a backdrop of low volumes and moderate volatility, client-driven activities held up well, driven by good sales performances for flow products in Asia and the United States as well as distributor demand for structured products. Accordingly, SG CIB confirmed its leading positions in the warrants market (global No. 1 with a market share of 12.9% at end-Q1 10) and ETF market (European No. 2 with a market share of 21.3%). With positive net inflow and assets up +3.0% vs. Q4 09 at EUR 88.9 billion, Lyxor continues to grow and saw its expertise once again rewarded with the title of "Best Managed Account Platform" (*Hedgweek Awards*, March 2010).

**Fixed Income, Currencies & Commodities** generated Q1 revenues of EUR 779 million in a mixed market environment in Europe (decline in volatility, less favourable volumes in the European market than in the US market, Greek sovereign debt tensions), contrasting with the exceptional conditions in Q1 09. Down -51.3% vs. Q1 09, these revenues were nevertheless sharply higher (x3.0) than in Q4 09. Client-driven activities experienced a rebound vs. Q4 09, notably for flow products (fixed income and foreign exchange, essentially emerging countries), reflecting the quality of the customer franchises. As a result, SG CIB recorded market share gains (+1.0 point vs. Q1 09 to 4.1%) on electronic platforms for foreign exchange products.

**Financing & Advisory** generated stable revenues of EUR 602 million, -1.2%\* (+4.2% in absolute terms) vs. Q1 09. Structured financing enjoyed good overall performances (+15% vs. Q1 09), and especially for natural resources financing (+28% vs. Q1 09). The business line also participated in several large-scale operations, demonstrating once again the quality of its expertise. In particular, SG CIB was the lead manager in the financing (EUR 5.5 billion) of a gas pipeline between Russia and the European Union for Nord Stream AG. SG CIB has also consolidated its leading positions in euro bond issues (No. 2 in Corporate issues). It was also the co-lead manager for the first time in a number of significant USD issues (Kraft, USD 9.5 billion), as well as its third significant GBP issue (Dong Energy, GBP 500 million), after Enel and BAT in 2009.

**Legacy Assets'** negative revenues were very limited at EUR -23 million (vs. EUR -1,592 million in Q1 09).

Corporate and Investment Banking's operating expenses amounted to EUR 1,152 million in Q1 10, up +20.3%\* (+22.9% in absolute terms) vs. Q1 09. This was substantially lower than the growth in division revenues over the same period (+78.5%\*, +74.0% in absolute terms). The Q1 cost to income ratio was 53.7% and gross operating income amounted to EUR 992 million compared with EUR 295 million in Q1 09.

Corporate and Investment Banking's cost of risk was EUR -233 million in Q1 10, including EUR -214 million for legacy assets. When restated for this amount and litigation issues, the division's cost of risk is 8 basis points for 2009, vs. 35 basis points in Q4 09, reflecting the excellent quality of the portfolio.

Corporate and Investment Banking's operating income totalled EUR 759 million in Q1. Its contribution to Group net income was EUR 541 million.

## 8. CORPORATE CENTRE

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The Corporate Centre recorded substantially improved gross operating income in Q1 2010 (EUR -29 million vs. EUR -590 million in Q1 09), due primarily to:

- the absence of permanent impairment on the equity portfolio in Q1 10 (EUR -71 million in Q1 09),
- and a limited accounting effect on the revaluation of credit derivative instruments used to hedge the loans and receivables portfolios (EUR +3 million in Q1 10 vs. EUR -472 million in Q1 09).

The revaluation of debts linked specifically to Societe Generale's credit risk also contributed EUR +102 million (vs. EUR +127 million in Q1 09) to gross operating income.

At end-March 2010, the IFRS net book value of the industrial equity portfolio, excluding unrealised capital gains, amounted to EUR 0.69 billion, representing market value of EUR 0.92 billion.

## 9. CONCLUSION

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With Q1 Group net income of EUR 1.06 billion, Societe Generale is confident of being able to achieve its targets for 2010. It anticipates a sustainable rebound in the financial results in light of the commercial momentum of its core businesses in Q1 2010 and the ongoing streamlining of the operating model. Thus the Group has reaffirmed the validity of its "universal bank" strategy based on its core retail banking (in France and in regions with considerable potential) and corporate and investment banking businesses.

### ***2010 financial communication calendar***

<b>May 25th 2010</b>	<b>Annual General Meeting</b>
<b>June 1st 2010</b>	<b>Dividend detachment</b>
<b>June 15th 2010</b>	<b>Investor Day</b>
<b>June 23rd 2010</b>	<b>Dividend payment</b>
<b>August 4th 2010</b>	<b>Publication of second quarter 2010 results</b>
<b>November 3rd 2010</b>	<b>Publication of third quarter 2010 results</b>

This document contains a number of forecasts and comments relating to the targets and strategies of the Societe Generale Group. These forecasts are based on a series of assumptions, both general and specific. As a result, there is a risk that these projections will not be met. Readers are therefore advised not to rely on these figures more than is justified as the Group's future results are liable to be affected by a number of factors and may therefore differ from current estimates.

Investors are advised to take into account factors of uncertainty and risk when basing their investment decisions on information provided in this document. Neither Societe Generale nor its representatives may be held liable for any loss resulting from the use of this presentation or its contents, or anything relating to them, or any document or information to which the presentation may refer.

Unless otherwise specified, the sources for the rankings are internal.

## APPENDIX 1: FIGURES AND QUARTERLY RESULTS BY CORE BUSINESS

CONSOLIDATED INCOME STATEMENT (in EUR millions)	1st quarter		
	Q1 09	Q1 10	Change Q1/Q1
Net banking income	4,913	6,581	+34.0% +32.6%(*)
Operating expenses	(3,777)	(4,001)	+5.9% +4.0%(*)
<b>Gross operating income</b>	<b>1,136</b>	<b>2,580</b>	<b>x2.3 x 2,3(*)</b>
Net allocation to provisions	(1,354)	(1,132)	-16.4% -17.8%(*)
<b>Operating income</b>	<b>(218)</b>	<b>1,448</b>	<b>NM NM(*)</b>
Net profits or losses from other assets	3	12	x4.0
Net income from companies accounted for by the equity method	(16)	40	NM
Impairment losses on goodwill	0	0	NM
Income tax	60	(375)	NM
<b>Net income before minority interests</b>	<b>(171)</b>	<b>1,125</b>	<b>NM</b>
O.w. minority interests	107	62	-42.1%
<b>Group share of net income</b>	<b>(278)</b>	<b>1,063</b>	<b>NM</b>
Annualised Group ROE after tax (as %)	NM	11.1%	
Tier 1 ratio at end of period	8.7%	10.6%	

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

NET INCOME AFTER TAX BY CORE BUSINESS (in EUR millions)	1st quarter		
	Q1 09	Q1 10	Change Q1/Q1
<b>French Networks</b>	<b>224</b>	<b>279</b>	<b>+24.6%</b>
<b>International Retail Banking</b>	<b>121</b>	<b>114</b>	<b>-5.8%</b>
<b>Specialised Financing &amp; Insurance</b>	<b>33</b>	<b>70</b>	<b>x2.1</b>
<b>Private Banking, Global Investment Management and Services</b>	<b>15</b>	<b>55</b>	<b>x3.7</b>
o.w. Private Banking	38	24	-36.8%
o.w. Asset Management	(26)	19	NM
o.w. SG SS & Brokers	3	12	x4.0
<b>Corporate &amp; Investment Banking</b>	<b>(171)</b>	<b>541</b>	<b>NM</b>
<b>CORE BUSINESSES</b>	<b>222</b>	<b>1,059</b>	<b>x4.8</b>
<b>Corporate Centre</b>	<b>(500)</b>	<b>4</b>	<b>NM</b>
<b>GROUP</b>	<b>(278)</b>	<b>1,063</b>	<b>NM</b>



## CONSOLIDATED BALANCE SHEET

<i>Assets (in billions of euros)</i>	December 31, 2009	March 31, 2010	% change
Cash, due from central banks	14.4	9.9	-31%
Financial assets measured at fair value through profit or loss	400.2	458.6	+15%
Hedging derivatives	5.6	7.0	+26%
Available-for-sale financial assets	90.4	98.6	+9%
Due from banks	67.6	68.8	+2%
Customer loans	344.5	350.4	+2%
Lease financing and similar agreements	28.9	28.8	-0%
Revaluation differences on portfolios hedged against interest rate risk	2.6	3.1	+22%
Held-to-maturity financial assets	2.1	2.0	-3%
Tax assets and other assets	42.9	46.9	+9%
Non current assets held for sale	0.4	0.1	-83%
Deferred profit sharing	0.3	0.0	-100%
Tangible, intangible fixed assets and other	23.8	24.3	+2%
<b>Total</b>	1,023.7	1,098.5	+7%

<i>Liabilities (in billions of euros)</i>	December 31, 2009	March 31, 2010	% change
Due to central banks	3.1	1.8	-41%
Financial liabilities measured at fair value through profit or loss	302.8	354.9	+17%
Hedging derivatives	7.3	8.7	+19%
Due to banks	90.1	89.9	-0%
Customer deposits	300.1	304.7	+2%
Securitised debt payables	133.2	140.4	+5%
Revaluation differences on portfolios hedged against interest rate risk	0.8	1.4	+76%
Tax liabilities and other liabilities	50.2	55.6	+11%
Non current liabilities held for sale	0.3	0.0	-97%
Underwriting reserves of insurance companies	74.4	77.8	+5%
Provisions	2.3	2.4	+3%
Subordinated debt	12.3	12.8	+5%
Shareholders' equity	42.2	43.9	+4%
Minority interests	4.6	4.2	-8%
<b>Total</b>	1,023.7	1,098.5	+7%

## QUARTERLY RESULTS BY CORE BUSINESSES

	2008 Basel II - IFRS (inc. IAS 32 & 39 and IFRS 4)				2009 Basel II - IFRS (inc. IAS 32 & 39 and IFRS 4)				2010 Basel II - IFRS (inc. IAS 32 & 39 and IFRS 4)			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<i>(in EUR millions)</i>												
<b>French Networks</b>												
Net banking income	1,801	1,817	1,829	1,964	1,781	1,875	1,867	1,943	1,892			
Operating expenses	-1,213	-1,195	-1,176	-1,290	-1,198	-1,206	-1,181	-1,326	-1,241			
Gross operating income	588	622	653	674	583	669	686	617	651			
Net allocation to provisions	-87	-98	-115	-195	-230	-214	-220	-306	-232			
Operating income	501	524	538	479	353	455	466	311	419			
Net income from other assets	0	1	-1	0	0	1	0	1	4			
Net income from companies accounted for by the equity method	6	1	4	-2	2	2	3	6	3			
Income tax	-172	-179	-183	-162	-120	-155	-158	-107	-144			
Net income before minority interests	335	347	358	315	235	303	311	211	282			
O.w. minority interests	18	17	16	17	11	13	15	14	3			
Group share of net income	317	330	342	298	224	290	296	197	279			
Average allocated capital	5,769	6,010	6,118	6,125	6,078	6,160	6,224	6,291	6,569			
ROE (after tax)	22.0%	22.0%	22.4%	19.5%	14.7%	18.8%	19.0%	12.5%	17.0%			
<b>International Retail Banking</b>												
Net banking income	1,129	1,222	1,310	1,357	1,167	1,189	1,174	1,219	1,183			
Operating expenses	-648	-694	-668	-742	-663	-681	-657	-680	-658			
Gross operating income	481	528	642	615	504	508	517	539	525			
Net allocation to provisions	-88	-78	-127	-207	-299	-310	-336	-353	-366			
Operating income	393	450	515	408	205	198	181	186	159			
Net income from other assets	-3	13	1	4	1	10	0	-4	4			
Net income from companies accounted for by the equity method	4	1	2	1	1	2	2	1	3			
Impairment losses on goodwill	0	0	0	-300	0	0	0	0	0			
Income tax	-82	-97	-109	-86	-41	-42	-36	-36	-31			
Net income before minority interests	312	367	409	27	166	168	147	147	135			
O.w. minority interests	113	123	148	98	45	42	35	47	21			
Group share of net income	199	244	261	-71	121	126	112	100	114			
Average allocated capital	3,112	3,136	3,411	3,535	3,559	3,611	3,562	3,574	3,603			
ROE (after tax)	25.6%	31.1%	30.6%	NM	13.6%	14.0%	12.6%	11.2%	12.7%			
<b>Specialised Financing &amp; Insurance</b>												
Net banking income	775	824	805	712	740	805	810	884	849			
Operating expenses	-428	-455	-454	-458	-430	-441	-446	-501	-446			
Gross operating income	347	369	351	254	310	364	364	383	403			
Net allocation to provisions	-113	-134	-149	-191	-234	-293	-338	-359	-299			
Operating income	234	235	202	63	76	71	26	24	104			
Net income from other assets	0	0	-1	0	0	1	1	-18	0			
Net income from companies accounted for by the equity method	-3	8	-2	-24	-18	-13	-7	-16	-1			
Impairment losses on goodwill	0	0	0	0	0	-19	1	-26	0			
Income tax	-72	-72	-61	-20	-22	-18	-8	0	-30			
Net income before minority interests	159	171	138	19	36	22	13	-36	73			
O.w. minority interests	5	4	5	4	3	2	3	1	3			
Group share of net income	154	167	133	15	33	20	10	-37	70			
Average allocated capital	4,048	4,158	4,345	4,385	4,423	4,511	4,611	4,712	4,739			
ROE (after tax)	15.2%	16.1%	12.2%	1.4%	3.0%	1.8%	0.9%	NM	5.9%			

	2008 Basel II - IFRS (inc. IAS 32 & 39 and IFRS 4)				2009 Basel II - IFRS (inc. IAS 32 & 39 and IFRS 4)				2010 Basel II - IFRS (inc. IAS 32 & 39 and IFRS 4)			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>Private Banking, Global Investment Management and Services</b>												
Net banking income	696	785	698	666	588	670	636	640	504			
Operating expenses	-582	-596	-574	-611	-554	-562	-557	-555	-466			
Gross operating income	114	189	124	55	34	108	79	85	38			
Net allocation to provisions	0	-1	-14	-30	-18	-9	-12	-1	0			
Operating income	114	188	110	25	16	99	67	84	38			
Net income from other assets	0	0	0	0	-1	2	-1	-1	0			
Net income from companies accounted for by the equity method	0	0	0	0	0	0	0	0	26			
Income tax	-29	-56	-30	4	1	-26	-15	-20	-9			
Net income before minority interests	85	132	80	29	16	75	51	63	55			
O.w. minority interests	-5	4	-4	2	1	1	1	1	0			
Group share of net income	90	128	84	27	15	74	50	62	55			
Average allocated capital	1,720	1,502	1,470	1,458	1,368	1,327	1,323	1,352	1,391			
ROE (after tax)	20.9%	34.1%	22.9%	7.4%	4.4%	22.3%	15.1%	18.3%	15.8%			
<b>o.w. Private Banking</b>												
Net banking income	213	203	196	225	197	222	206	204	162			
Operating expenses	-133	-133	-134	-139	-131	-132	-131	-132	-130			
Gross operating income	80	70	62	86	66	90	75	72	32			
Net allocation to provisions	-1	-1	-10	-20	-17	-9	-11	-1	0			
Operating income	79	69	52	66	49	81	64	71	32			
Net income from other assets	1	-2	1	0	0	0	0	0	0			
Net income from companies accounted for by the equity method	0	0	0	0	0	0	0	0	0			
Income tax	-18	-15	-13	-9	-11	-18	-15	-16	-8			
Net income before minority interests	62	52	40	57	38	63	49	55	24			
O.w. minority interests	3	2	-5	0	0	0	0	0	0			
Group share of net income	59	50	45	57	38	63	49	55	24			
Average allocated capital	391	442	493	491	452	436	443	427	405			
ROE (after tax)	60.4%	45.2%	36.5%	46.4%	33.6%	57.8%	44.2%	51.5%	23.7%			
<b>o.w. Asset Management</b>												
Net banking income	131	217	183	99	113	169	171	193	83			
Operating expenses	-166	-174	-161	-171	-152	-151	-174	-179	-94			
Gross operating income	-35	43	22	-72	-39	18	-3	14	-11			
Net allocation to provisions	0	1	0	-1	0	0	0	0	0			
Operating income	-35	44	22	-73	-39	18	-3	14	-11			
Net income from other assets	0	0	0	-1	0	-1	1	-1	0			
Net income from companies accounted for by the equity method	0	0	0	0	0	0	0	0	26			
Income tax	12	-15	-7	24	13	-5	0	-4	4			
Net income before minority interests	-23	29	15	-50	-26	12	-2	9	19			
O.w. minority interests	-8	1	1	1	0	2	0	1	0			
Group share of net income	-15	28	14	-51	-26	10	-2	8	19			
Average allocated capital	694	511	413	422	402	375	355	418	491			
ROE (after tax)	NM	21.9%	13.6%	NM	NM	10.7%	NM	7.7%	15.5%			
<b>o.w. SG SS &amp; Brokers</b>												
Net banking income	352	365	319	342	278	279	259	243	259			
Operating expenses	-283	-289	-279	-301	-271	-279	-252	-244	-242			
Gross operating income	69	76	40	41	7	0	7	-1	17			
Net allocation to provisions	1	-1	-4	-9	-1	0	-1	0	0			
Operating income	70	75	36	32	6	0	6	-1	17			
Net income from other assets	-1	2	-1	1	-1	3	-2	0	0			
Net income from companies accounted for by the equity method	0	0	0	0	0	0	0	0	0			
Income tax	-23	-26	-10	-11	-1	-3	0	0	-5			
Net income before minority interests	46	51	25	22	4	0	4	-1	12			
O.w. minority interests	0	1	0	1	1	-1	1	0	0			
Group share of net income	46	50	25	21	3	1	3	-1	12			
Average allocated capital	635	549	564	545	514	516	525	507	495			
ROE (after tax)	29.0%	36.4%	17.7%	15.4%	2.3%	0.8%	2.3%	NM	9.7%			

	2008 Basel II - IFRS (inc. IAS 32 & 39 and IFRS 4)				2009 Basel II - IFRS (inc. IAS 32 & 39 and IFRS 4)				2010 Basel II - IFRS (inc. IAS 32 & 39 and IFRS 4)			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>Corporate and Investment Banking</b>												
Net banking income	160	1,344	338	-461	1,232	2,645	2,348	803	2,144			
Operating expenses	-1,022	-971	-795	-761	-937	-1,162	-1,037	-845	-1,152			
<i>Gross operating income</i>	-862	373	-457	-1,222	295	1,483	1,311	-42	992			
Net allocation to provisions	-312	-82	-281	-365	-569	-257	-605	-889	-233			
<i>Operating income</i>	-1,174	291	-738	-1,587	-274	1,226	706	-931	759			
Net income from other assets	-2	8	5	0	0	-2	1	-6	1			
Net income from companies accounted for by the equity method	0	0	0	0	0	21	13	18	9			
Impairment losses on goodwill	0	0	0	0	0	0	0	0	0			
Income tax	358	-42	263	564	108	-361	-200	360	-225			
<i>Net income before minority interests</i>	-818	257	-470	-1,023	-166	884	520	-559	544			
O.w. minority interests	0	1	3	4	5	6	2	3	3			
<i>Group share of net income</i>	-818	256	-473	-1,027	-171	878	518	-562	541			
Average allocated capital	8,705	9,113	8,862	8,831	9,336	9,229	8,877	8,401	8,196			
ROE (after tax)	NM	11.2%	NM	NM	NM	38.1%	23.3%	NM	26.4%			
<b>Core activities</b>												
Net banking income	1,298	2,005	1,252	159	2,824	2,810	2,635	1,579	2,167			
Financing and Advisory	271	465	317	758	578	661	642	629	602			
Global Markets	1,027	1,540	935	-599	2,246	2,149	1,993	950	1,565			
o.w. Equities	401	825	509	-623	647	1,034	1,057	693	786			
o.w. Fixed income, Currencies and Commodities	626	715	426	24	1,599	1,115	936	257	779			
Operating expenses	-1,016	-967	-790	-749	-928	-1,153	-1,026	-834	-1,140			
<i>Gross operating income</i>	282	1,038	462	-590	1,896	1,657	1,609	745	1,027			
Net allocation to provisions	-281	-59	-157	-348	-348	-239	-249	-86	-19			
<i>Operating income</i>	1	979	305	-938	1,548	1,418	1,360	659	1,008			
Net income from other assets	-1	6	6	0	0	-1	0	-6	1			
Net income from companies accounted for by the equity method	0	0	0	0	0	21	14	18	9			
Impairment losses on goodwill	0	0	0	0	0	0	0	0	0			
Income tax	-31	-268	-84	348	-494	-424	-416	-165	-305			
<i>Net income before minority interests</i>	-31	717	227	-590	1,054	1,014	958	506	713			
O.w. minority interests	0	2	1	4	5	6	3	2	3			
<i>Group share of net income</i>	-31	715	226	-594	1,049	1,008	955	504	710			
Average allocated capital	8,480	8,412	8,293	8,146	7,936	7,427	6,882	6,557	6,486			
<b>Legacy assets</b>												
Net banking income	-1,138	-661	-914	-620	-1,592	-165	-287	-776	-23			
Operating expenses	-6	-4	-5	-12	-9	-9	-11	-11	-12			
<i>Gross operating income</i>	-1,144	-665	-919	-632	-1,601	-174	-298	-787	-35			
Net allocation to provisions	-31	-23	-124	-17	-221	-18	-356	-803	-214			
<i>Operating income</i>	-1,175	-688	-1,043	-649	-1,822	-192	-654	-1,590	-249			
Net income from other assets	-1	2	-1	0	0	-1	1	0	0			
Net income from companies accounted for by the equity method	0	0	0	0	0	0	-1	0	0			
Impairment losses on goodwill	0	0	0	0	0	0	0	0	0			
Income tax	389	226	347	216	602	63	216	525	80			
<i>Net income before minority interests</i>	-787	-460	-697	-433	-1,220	-130	-438	-1,065	-169			
O.w. minority interests	0	-1	2	0	0	0	-1	1	0			
<i>Group share of net income</i>	-787	-459	-699	-433	-1,220	-130	-437	-1,066	-169			
Average allocated capital	225	701	569	685	1,400	1,802	1,995	1,844	1,710			

	2008 Basel II - IFRS (inc. IAS 32 & 39 and IFRS 4)				2009 Basel II - IFRS (inc. IAS 32 & 39 and IFRS 4)				2010 Basel II - IFRS (inc. IAS 32 & 39 and IFRS 4)			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>Corporate Centre</b>												
Net banking income	1,118	-408	128	1,257	-595	-1,468	-865	-358	9			
Operating expenses	-12	-46	-30	-107	5	-55	-20	-77	-38			
<i>Gross operating income</i>	<i>1,106</i>	<i>-454</i>	<i>98</i>	<i>1,150</i>	<i>-590</i>	<i>-1,523</i>	<i>-885</i>	<i>-435</i>	<i>-29</i>			
Net allocation to provisions	2	6	-1	5	-4	8	-2	2	-2			
<i>Operating income</i>	<i>1,108</i>	<i>-448</i>	<i>97</i>	<i>1,155</i>	<i>-594</i>	<i>-1,515</i>	<i>-887</i>	<i>-433</i>	<i>-31</i>			
Net income from other assets	611	13	14	-30	3	-1	-1	725	3			
Net income from companies accounted for by the equity method	-2	-3	-2	3	-1	-2	1	0	0			
Impairment losses on goodwill	0	0	0	0	0	1	-1	2	0			
Income tax	-522	14	-213	-251	134	480	377	213	64			
<i>Net income before minority interests</i>	<i>1,195</i>	<i>-424</i>	<i>-104</i>	<i>877</i>	<i>-458</i>	<i>-1,037</i>	<i>-511</i>	<i>507</i>	<i>36</i>			
O.w. minority interests	41	57	60	32	42	42	49	46	32			
<i>Group share of net income</i>	<i>1,154</i>	<i>-481</i>	<i>-164</i>	<i>845</i>	<i>-500</i>	<i>-1,079</i>	<i>-560</i>	<i>461</i>	<i>4</i>			
<b>Group</b>												
Net banking income	5,679	5,584	5,108	5,495	4,913	5,716	5,970	5,131	6,581			
Operating expenses	-3,905	-3,957	-3,697	-3,969	-3,777	-4,107	-3,898	-3,984	-4,001			
<i>Gross operating income</i>	<i>1,774</i>	<i>1,627</i>	<i>1,411</i>	<i>1,526</i>	<i>1,136</i>	<i>1,609</i>	<i>2,072</i>	<i>1,147</i>	<i>2,580</i>			
Net allocation to provisions	-598	-387	-687	-983	-1,354	-1,075	-1,513	-1,906	-1,132			
<i>Operating income</i>	<i>1,176</i>	<i>1,240</i>	<i>724</i>	<i>543</i>	<i>-218</i>	<i>534</i>	<i>559</i>	<i>-759</i>	<i>1,448</i>			
Net income from other assets	606	35	18	-26	3	11	0	697	12			
Net income from companies accounted for by the equity method	5	7	2	-22	-16	10	12	9	40			
Impairment losses on goodwill	0	0	0	-300	0	-18	0	-24	0			
Income tax	-519	-432	-333	49	60	-122	-40	410	-375			
<i>Net income before minority interests</i>	<i>1,268</i>	<i>850</i>	<i>411</i>	<i>244</i>	<i>-171</i>	<i>415</i>	<i>531</i>	<i>333</i>	<i>1,125</i>			
O.w. minority interests	172	206	228	157	107	106	105	112	62			
<i>Group share of net income</i>	<i>1,096</i>	<i>644</i>	<i>183</i>	<i>87</i>	<i>-278</i>	<i>309</i>	<i>426</i>	<i>221</i>	<i>1,063</i>			
Average allocated capital	25,431	29,029	29,611	29,630	29,274	29,373	29,889	32,442	35,339			
ROE (after tax)	16.8%	8.3%	1.7%	0.4%	NM	2.9%	4.1%	1.5%	11.1%			

## APPENDIX 2: METHODOLOGY

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### **1- The Group's quarterly results as at March 31st, 2010 were approved by the Board of Directors on May 4th, 2010. These results are audited by the Statutory Auditors.**

The financial information presented for Q1 2010 has been prepared in accordance with IFRS as adopted in the European Union. This financial information does not constitute a set of financial statements for an interim period as defined by IAS 34 "Interim Financial Reporting". Societe Generale's Management intends to publish summary interim consolidated financial statements for the six-month period ended June 30th, 2010.

**2- Group ROE** is calculated on the basis of average Group shareholders' equity under IFRS excluding (i) unrealised or deferred capital gains or losses booked directly under shareholders' equity excluding conversion reserves, (ii) deeply subordinated notes, (iii) undated subordinated notes recognised as shareholders' equity, and deducting (iv) interest to be paid to holders of deeply subordinated notes and of the restated, undated subordinated notes. The net income used to calculate ROE excludes interest, net of tax impact, to be paid to holders of deeply subordinated notes for the period and, since 2006, holders of restated, undated subordinated notes (EUR 82 million in Q1 2010).

**3- For the calculation of earnings per share**, "Group net income for the period" is corrected (reduced in the case of a profit and increased in the case of a loss) for interest, net of tax impact, to be paid to holders of:

- (i) deeply subordinated notes (EUR 76 million in Q1 10),
- (ii) undated subordinated notes recognised as shareholders' equity (EUR 6 million in Q1 10).

Earnings per share is therefore calculated as the ratio of corrected Group net income for the period to the average number of ordinary shares outstanding, excluding treasury shares but including (a) trading shares held by the Group and (b) shares held under the liquidity contract.

**4- Net assets** are comprised of Group shareholders' equity, excluding (i) deeply subordinated notes (EUR 6.4 billion), undated subordinated notes previously recognised as debt (EUR 0.8 billion) and (ii) interest to be paid to holders of deeply subordinated notes and undated subordinated notes, but reinstating the book value of trading shares held by the Group and shares held under the liquidity contract. The number of shares used to calculate book value per share is the number of shares issued at March 31st, 2010, excluding treasury shares but including (a) trading shares held by the Group and (b) shares held under the liquidity contract.

### **Changes in financial communication:**

(i) Since January 1st, 2010, the normative capital allocated to businesses corresponds to 7% of Basel II risk-weighted assets at the beginning of the period (vs. 6% previously on average assets for the period), supplemented by the additional consumption of prudential capital generated by each business (deductions impacting Basel II Tier 1 capital) and, if necessary, requirements specific to the insurance activities.

(ii) Since January 1st, 2010, Retail Banking in France includes three networks: Société Générale network, Crédit du Nord network and Boursorama (previously part of the "Private Banking, Global Investment Management and Services" division).

(iii) SGAM Alternative Investments' structured products, index tracking products and alternative investment activities are merged with those of Lyxor Asset Management, and therefore incorporated in Corporate and Investment Banking as from January 1st, 2010.

(iv) As from January 1st, 2010, the cost of risk in basis points is calculated by dividing the commercial cost of risk by loans and receivables outstandings beginning of period.