

# **FIRST UPDATE**

## **TO THE**

### **2019 REGISTRATION DOCUMENT**

Registration Document filed with the AMF (French Financial Markets Authority) on 11 March 2019  
under No. D.19-0133.



The AMF has conducted no verification of the content of this document. Only the French version of the Registration Document (“*Document de référence*”) has been controlled by the AMF.

This update to the Registration Document was filed with the AMF (French Financial Markets Authority) on 6 May 2019, under the number D.19-0133-A01, in accordance with Article 212-13 of its general regulation. It may be used to support a financial transaction if accompanied by a prospectus duly approved by the AMF. This document was produced by the issuer and is binding upon its signatory.

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# 1 - Chapter 2: Group management report

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## 1.1 Recent press releases and events subsequent to the submission of the 2019 Registration Document

Press release dated 3 May, 2019: First quarter 2019 results – Update of the 2019 Registration Document, pages 28 - 45

### Q1 19: EFFECTIVELY EXECUTING THE STRATEGIC PLAN. SUBSTANTIAL INCREASE IN CET1 AT 11.7%<sup>(2)</sup> (+55bp)

#### HIGHLIGHTS AND KEY FINANCIAL DATA FOR Q1 19

- Increase in CET1 of +55 basis points at 11.7%<sup>(2)</sup>
- Underlying Group net income of EUR 1,010 million. Group ROTE<sup>(1)</sup> at 8.4%
- Revenues of EUR 6,191 million in Q1 19 (-1.6% vs. Q1 18), with a solid performance by the businesses (+0.3%), driven in particular by International Retail Banking & Financial Services (+6.8%\* vs. Q1 18) and Financing & Advisory (+18.5% vs. Q1 18)
- Operating expenses under control at EUR 4,789 million (+1.3% vs. Q1 18)
- Still low cost of risk at 21 basis points, with a decline in the non-performing loan ratio to 3.5%
- Adaptation of the operational set-up in Global Banking & Investor Solutions around the refocusing of Global Markets and the execution of the additional cost-cutting plan
- Continued Group refocusing: finalisation of several disposals<sup>(3)</sup> for a total impact of +20 basis points on CET1 in Q1 19 and announcement of the disposal of SKB in Slovenia to OTP Bank representing an estimated equivalent impact of around +7 basis points on CET1 at the closing date.

#### Frédéric Oudéa, the Group's Chief Executive Officer, commented:

“Societe Generale already benefited in Q1 2019 from the initial effects of the implementation of the measures announced at the time of the 2018 full-year results. We continued with the transformation of French Retail Banking, provided further evidence of the robust momentum in International Retail Banking & Financial Services and demonstrated Global Banking & Investor Solutions' ability to rapidly adapt, with an already tangible reduction in risk-weighted assets which, combined with the finalisation of five disposals, has resulted in a substantial increase in the level of our capital. We are continuing to steadily implement our refocusing programme, with the announcement this morning of the disposal of our SKB subsidiary in Slovenia. As a result of our determined actions, we saw a substantial increase in CET1 ratio in Q1 19, strengthening our ability to achieve the 12% CET1 ratio target as soon as possible. Our solid results are also based on good risk management and the controlled development of our costs, which will continue with the new cost-saving measures that we have recently introduced. Moreover, our leading position in renewable energy financing (recognised in 2018) confirms our commitment to support the positive transformations of our customers and our economies with all the responsibility necessary.

All these advances illustrate the robustness of our business model and our ability to implement our strategic and financial plan despite an unfavourable European environment.”

The footnote \* in this document corresponds to data adjusted for changes in Group structure and at constant exchange rates.

- (1) Underlying data. See methodology note 5 for the transition from accounting data to underlying data.
- (2) Taking into account the assumption of a 50% subscription rate for the option of a dividend payment in shares subject to approval by the Ordinary General Meeting on May 21st, 2019 and a pay-out ratio of 50% for Q1 19 earnings
- (3) Including the stakes in La Banque Postale Financement, Self Trade Bank, Societe Generale Expressbank (Bulgaria), Societe Generale Albania and the Private Banking activities in Belgium

## 1. GROUP CONSOLIDATED RESULTS

<b>In EUR m</b>	<b>Q1 19</b>	<b>Q1 18</b>	<b>Change</b>	
<b>Net banking income</b>	<b>6,191</b>	<b>6,294</b>	<b>-1.6%</b>	<b>-1.9%*</b>
<i>Underlying net banking income(1)</i>	6,191	6,294	-1.6%	-1.9%
<b>Operating expenses</b>	<b>(4,789)</b>	<b>(4,729)</b>	<b>+1.3%</b>	<b>+1.3%*</b>
<i>Underlying operating expenses(1)</i>	(4,345)	(4,223)	+2.9%	+2.9%
<b>Gross operating income</b>	<b>1,402</b>	<b>1,565</b>	<b>-10.4%</b>	<b>-11.4%*</b>
<i>Underlying gross operating income(1)</i>	1,846	2,071	-10.8%	-11.6%
<b>Net cost of risk</b>	<b>(264)</b>	<b>(208)</b>	<b>+26.9%</b>	<b>+29.5%*</b>
<i>Underlying net cost of risk (1)</i>	(264)	(208)	+26.9%	+29.5%
<b>Operating income</b>	<b>1,138</b>	<b>1,357</b>	<b>-16.1%</b>	<b>-17.4%*</b>
<i>Underlying operating income(1)</i>	1,582	1,863	-15.0%	-16.0%
<b>Net profits or losses from other assets</b>	<b>(51)</b>	<b>1</b>	<b>n/s</b>	<b>n/s</b>
Income tax	(310)	(370)	-16.2%	-16.2%*
<b>Reported Group net income</b>	<b>631</b>	<b>850</b>	<b>-25.8%</b>	<b>-27.5%*</b>
<i>Underlying Group net income(1)</i>	1,010	1,204	-16.1%	-17.4%
ROE	4.2%	6.3%		
ROTE	5.5%	7.4%		
<b>Underlying ROTE (1)</b>	<b>8.4%</b>	<b>10.9%</b>		

(1) Adjusted for exceptional items and linearisation of IFRIC 21

Societe Generale's Board of Directors, which met on May 2<sup>nd</sup> 2019 under the chairmanship of Lorenzo Bini Smaghi, examined the Societe Generale Group's results for Q1 2019.

The various restatements enabling the transition from underlying data to published data are presented in the methodology notes (section 10.5).

### Net banking income: EUR 6,191m (-1.6% vs. Q1 18)

- French Retail Banking's net banking income declined -3.2% vs. Q1 18 excluding PEL/CEL provision, in a continuing low interest rate environment.
- International Retail Banking & Financial Services' net banking income rose 4.4% (6.8%\*), driven by the strong commercial momentum across all businesses and geographical regions. Accordingly, International Retail Banking revenues increased by 4.4% (8.3%\*), Insurance revenues 2.2% (2.4%\*) and Financial Services to Corporates' revenues 5.3% (4.6%\*).
- Global Banking & Investor Solutions' net banking income increased by +1.1% (-1.8%\*). Financing & Advisory revenues were 18.5% (16%\*) higher, confirming the healthy commercial momentum observed for several quarters. In contrast, the revenues of Global Markets and Investor Services were down -7.2% (-10.7%\*) in a still challenging market environment in Q1 19.

### Operating expenses: EUR -4,789m (+1.3% vs. Q1 18)

Underlying operating expenses amounted to EUR -4,345 million after linearisation of the effect of IFRIC 21, representing an increase of +2.9% (+2.9%\*) vs. Q1 18 (EUR -4,223 million).

Operating expenses were very slightly higher in French Retail Banking (+0.4%) against the backdrop of the ongoing digital transformation and the development of growth drivers. Efforts to support growth in International Retail Banking & Financial Services resulted in a positive jaws effect between revenue growth and the increase in costs (+5.1%\*, +2.1%). Global Banking & Investor Solutions' costs were down -1.6%\* (+0.1%) against a backdrop of rigorous cost management.

### Gross operating income: EUR 1,402m (-10.4% vs. Q1 18)

Underlying gross operating income totalled EUR 1,846 million (-10.8% vs. Q1 2018).

## Cost of risk<sup>(1)</sup>: EUR -264m

The net cost of risk amounted to EUR -264 million, 26.9% higher than in Q1 18 (EUR -208 million).

The Group's commercial cost of risk (expressed as a fraction of outstanding loans) amounted to 21 basis points, slightly higher than in Q1 18 (18 basis points).

- In French Retail Banking, the commercial cost of risk was lower at 20 basis points (29 basis points in Q1 18) due to a selective origination policy.
- International Retail Banking & Financial Services' cost of risk stood at 39 basis points (28 basis points in Q1 18). This still low level reflects the gradual normalisation of the cost of risk as well as a negative base effect in Q1 18 following the receipt of an insurance payout in Romania.
- Global Banking & Investor Solutions' cost of risk amounted to 10 basis points, an increase compared to the particularly low level of -7 basis points in Q1 18.

The Group expects a cost of risk of between 25 and 30 basis points in 2019.

The gross doubtful outstandings ratio stood at 3.5% at end-March 2019 (vs. 4.2% at end-March 2018). The Group's gross coverage ratio for doubtful outstandings stood at 55%<sup>(1)</sup> at end-March 2019 (it was 54% at December 31<sup>st</sup>, 2018).

## Operating income: EUR 1,138m (-16.1% vs. Q1 18)

Underlying operating income came to EUR 1,582 million, down -15.0% vs. Q1 2018.

## Net profits or losses from other assets: EUR -51m

Net profits or losses from other assets totalled EUR -51 million in Q1 19, including EUR -53 million corresponding to the effect of the application of IFRS 5 as part of the implementation of the Group's refocusing plan. In this respect, the Group recognised a capital loss of EUR -67 million in connection with the announced disposal of SKB in Slovenia, corresponding to goodwill amortisation. The Group also recognised an overall impact of EUR +14 million following the finalisation of the disposal of its Private Banking activities in Belgium, Societe Generale Albania, Express Bank in Bulgaria and La Banque Postale Financement.

## Net income

In EURm	Q1 19	Q1 18
Reported Group net income	631	850
Underlying Group net income <sup>(2)</sup>	1,010	1,204

In %	Q1 19	Q1 18
ROTE (reported)	5.5%	7.4%
Underlying ROTe <sup>(2)</sup>	8.4%	10.9%

Earnings per share amounts to EUR 0.65 (EUR 0.93 in Q1 18).

(1) Ratio between the amount of provisions on doubtful outstandings and the amount of these same outstandings.

(2) Adjusted for exceptional items and effect of the linearisation of IFRIC 21.

## 2. THE GROUP'S FINANCIAL STRUCTURE

Group **shareholders' equity** totalled EUR 61.8 billion at March 31<sup>st</sup>, 2019 (EUR 61.0 billion at December 31<sup>st</sup>, 2018). Net asset value per share was EUR 65.39 and tangible net asset value per share was EUR 57.05, an increase of 2.3% vs. December 31<sup>st</sup>, 2018.

The **consolidated balance sheet** totalled EUR 1,364 billion at March 31<sup>st</sup>, 2019 (EUR 1,309 billion at December 31<sup>st</sup>, 2018). The net amount of customer loan outstandings at March 31<sup>st</sup>, 2019, including lease financing, was EUR 426 billion (EUR 421 billion at December 31<sup>st</sup>, 2018) – excluding assets and securities sold under repurchase agreements. At the same time, customer deposits amounted to EUR 404 billion, vs. EUR 399 billion at December 31<sup>st</sup>, 2018 (excluding assets and securities sold under repurchase agreements).

At end-March 2019, the parent company had issued EUR 13.3 billion of medium/long-term debt, having an average maturity of 4.6 years and an average spread of 67 basis points (vs. the 6-month mid-swap, excluding subordinated debt). The subsidiaries had issued EUR 0.5 billion. At March 31<sup>st</sup>, 2019, the Group had issued a total of EUR 13.8 billion of medium/long-term debt. The LCR (Liquidity Coverage Ratio) was well above regulatory requirements at 139% at end-March 2019 vs. 129% at end-December 2018. At the same time, the NSFR (Net Stable Funding Ratio) was over 100% at end-March 2019. At end-April 2019, the Group had achieved nearly 60% of its vanilla long-term financing programme scheduled for 2019.

The Group's **risk-weighted assets** (RWA) amounted to EUR 366.1 billion at March 31<sup>st</sup>, 2019 (vs. EUR 376.0 billion at end-December 2018) according to CRR/CRD4 rules. Risk-weighted assets in respect of credit risk represent 81.7% of the total, at EUR 299.2 billion, down -1.2% vs. December 31<sup>st</sup>, 2018.

At March 31<sup>st</sup>, 2019, the Group's fully-loaded **Common Equity Tier 1** ratio stood at 11.5%<sup>(1)</sup>, (11.7%<sup>(2)</sup>). The Tier 1 ratio stood at 14.3%<sup>(2)</sup> at end-March 2019 (13.7% at end-December 2018) and the total capital ratio amounted to 17.5%<sup>(2)</sup>.

With a level of 25.2%<sup>(2)</sup> of RWA and 7.4%<sup>(2)</sup> of leveraged exposure at end-March 2019, the Group's TLAC ratio is already above the FSB's requirements for 2019. At March 31<sup>st</sup>, 2019, the Group was also above its MREL requirements of 8% of the TLOF<sup>(3)</sup> (which, in December 2016, represented a level of 24.36% of RWA), which were used as a reference for the SRB calibration.

The **leverage ratio** stood at 4.2% at March 31<sup>st</sup>, 2019 (4.2%<sup>(2,4)</sup> vs. 4.3% at end-December 2018).

The Group is rated by five rating agencies: (i) DBRS - long-term rating (senior preferred debt) "A (high)", positive trends, short-term rating "R-1 (middle)"; (ii) FitchRatings - long-term rating "A", stable outlook, senior preferred debt rating "A+", short-term rating "F1"; (iii) Moody's - long-term rating (senior preferred debt) "A1", stable outlook, short-term rating "P-1"; (iv) R&I - long-term rating (senior preferred debt) "A", stable outlook; and (v) S&P Global Ratings - long-term rating (senior preferred debt) "A", positive outlook, short-term rating "A-1".

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(1) The phased-in ratio, excluding the option of a dividend payment in shares and including Q1 earnings, amounts to 11.5% at end-March 2019 vs. 11.0% at end-December 2018

(2) Taking into account the option of a dividend payment in shares subject to approval by the Ordinary General Meeting on May 21<sup>st</sup>, 2019, with the assumption of a 50% subscription rate, having in particular an impact of +24bp on the CET1 ratio

(3) TLOF: Total Liabilities and Own Funds

(4) 4.3% after taking into account the decision of the General Court of the European Union on July 13<sup>th</sup>, 2018 regarding the exclusion of certain exposures related to savings passbook accounts centralised at the Caisse des Dépôts which requires the agreement of the ECB

### 3. FRENCH RETAIL BANKING

<b>In EUR m</b>	<b>Q1 19</b>	<b>Q1 18</b>	<b>Change</b>
Net banking income	1,916	2,008	-4.6%
<i>Net banking income excl. PEL/CEL</i>	<i>1,928</i>	<i>1,992</i>	<i>-3.2%</i>
Operating expenses	(1,486)	(1,480)	+0.4%
<b>Gross operating income</b>	<b>430</b>	<b>528</b>	<b>-18.6%</b>
<i>Gross operating income excl. PEL/CEL</i>	<i>442</i>	<i>512</i>	<i>-13.7%</i>
Net cost of risk	(94)	(134)	-29.9%
<b>Operating income</b>	<b>336</b>	<b>394</b>	<b>-14.7%</b>
<b>Reported Group net income</b>	<b>234</b>	<b>270</b>	<b>-13.3%</b>
RONE	<b>8.3%</b>	<b>9.5%</b>	
<b>Underlying RONE (1)</b>	<b>10.4%</b>	<b>10.8%</b>	

(1) Adjusted for the linearisation of IFRIC 21, PEL/CEL provision

In line with 2018, Q1 2019 was characterised by the persistently low interest rate environment and the ongoing transformation of the French networks. Against this backdrop, French Retail Banking enjoyed a healthy commercial momentum and the financial performance remained resilient. Underlying RONE stood at 10.4% in Q1 19.

#### Activity and net banking income

French Retail Banking's three brands, Societe Generale, Crédit du Nord and Boursorama, pursued their commercial expansion, particularly for their growth drivers.

Boursorama gained 123,000 new clients in Q1 19 and consolidated its position as the leading online bank in France, with 1.8 million clients at end-March, an increase of +30% year-on-year.

At the same time, the Societe Generale and Crédit du Nord networks strengthened their franchises on the Group's target customers.

There was further expansion in the mass affluent and wealthy client base in Q1 19 (+3% vs. Q1 18). Net inflow for wealthy clients remained robust at EUR 1.2 billion, taking assets under management to EUR 64.9 billion (including Crédit du Nord) at end-March 2019, up 4.9% vs. Q1 18.

Bancassurance enjoyed buoyant activity: life insurance experienced net inflow of EUR 515 million. Outstandings were up +0.7% at EUR 93.7 billion, with the unit-linked share accounting for 24%.

Societe Generale continued with the rollout of regional business centres, in order to increase its proximity with Business customers. Four new units were rolled out in Q1 19, taking the number of centres to nine at end-March. 42 structured finance transactions have been completed in Q1 19.

In the case of Professional customers, Societe Generale opened a new "Pro Corner" (espace pro) in Q1 19 (nine in total at end-March). It had 118 "corners" dedicated to professionals in the branches, as at end-March 2019.

In a low interest rate environment, the Group continued with its selective origination strategy.

Housing loan production totalled EUR 4.6 billion in Q1 19 and consumer loan production came to EUR 984 million in Q1 19.

Outstanding loans to individuals totalled EUR 112.5 billion in Q1 19, up +3.0% vs. Q1 18.

Corporate investment loan production came to EUR 3.2 billion in Q1 19 and average investment loan outstandings rose +6.3% vs. Q1 18.

Overall, the commercial momentum remained robust: average loan outstandings rose +4.3% vs. Q1 18 (to EUR 192 billion) and average outstanding balance sheet deposits +3.8% (to EUR 202.8 billion), still driven by sight deposits (+8.6%). As a result, the average loan/deposit ratio stood at 94.6% in Q1 19.

French Retail Banking posted revenues (after neutralising the impact of PEL/CEL provisions) of EUR 1,928 million in Q1 19, stable vs. Q4 18 but down -3.2% vs. Q1 18 (which was the quarter with the highest revenues in 2018).

The Group expects a gradual improvement in the trend in 2019, with a decline in net banking income of between 0% and -1% in 2019.

Although still adversely affected by the low interest rate environment, there was an improvement (+1.8%) in net interest income vs. Q4 18 to EUR 983 million (-3.3% vs. Q1 18). Commissions were 2.5% lower in Q1 19, due to the sharp decline in financial commissions in a challenging stock market environment, whereas service commissions proved resilient despite the banking industry's commitment not to increase the price of its services.

### **Operating expenses**

French Retail Banking's operating expenses totalled EUR 1,486 million in Q1 19, slightly higher (+0.4%) than in Q1 18. The digital transformation process and the development of growth drivers continued: to date, 75% of day-to-day transactions and standard offerings can be carried out or accessed online. The Group also closed 30 Societe Generale branches in Q1 19, amounting in total since end-2015, to more than 60% of its 2020 target (-500 branches).

The cost to income ratio stood at 73.2% in Q1 19 (after linearisation of the IFRIC 21 charge).

### **Operating income**

The net cost of risk declined by 29.9% in Q1 19 vs. Q1 18, corresponding to 20bp (vs. 30bp in Q4 18) and reflecting a selective origination strategy. Operating income came to EUR 336 million in Q1 19 (EUR 394 million in Q1 18).

### **Contribution to Group net income**

French Retail Banking's contribution to Group net income amounted to EUR 234 million in Q1 19 (EUR 270 million in Q1 18). The return on normative equity (after linearisation of the IFRIC 21 charge and restated for the PEL/CEL provision) stood at a resilient level of 10.4% (vs. 10.8% in Q1 18).

#### 4. INTERNATIONAL RETAIL BANKING & FINANCIAL SERVICES

<i>In EUR m</i>	<b>Q1 19</b>	<b>Q1 18</b>	<b>Change</b>	
Net banking income	2,076	1,989	+4.4%	+6.8%*
Operating expenses	(1,204)	(1,179)	+2.1%	+5.1%*
<b>Gross operating income</b>	<b>872</b>	<b>810</b>	<b>+7.7%</b>	<b>+9.3%*</b>
Net cost of risk	(128)	(91)	+40.7%	+46.6%*
<b>Operating income</b>	<b>744</b>	<b>719</b>	<b>+3.5%</b>	<b>+4.7%*</b>
Net profits or losses from other assets	1	4	-75.0%	-74.7%
<b>Reported Group net income</b>	<b>464</b>	<b>429</b>	<b>+8.2%</b>	<b>+9.7%*</b>
RONE	16.0%	15.1%		
<b>Underlying RONE (1)</b>	<b>17.6%</b>	<b>17.0%</b>		

(1) Adjusted for the linearisation of IFRIC 21

Net banking income totalled EUR 2,076 million in Q1 2019, up +4.4% vs. Q1 18, driven by an excellent commercial momentum in all regions and businesses. In line with the growth in revenues, operating expenses amounted to EUR -1,204 million (+2.1%), confirming the division's high operational efficiency, with a positive jaws effect in Q1 19. Gross operating income totalled EUR 872 million in Q1 19 (+7.7% vs. Q1 18).

The net cost of risk remained at a moderate level of EUR 128 million, up +40.7% given a base effect related primarily to the receipt of an insurance payout in Romania in Q1 18. The contribution to Group net income totalled EUR 464 million, up +8.2% vs. Q1 18.

The cost to income ratio came to 58% (59.3% in Q1 18) and underlying RONE stood at 17.6% (17% in Q1 18).

Moreover, in order to increase International Retail Banking's agility and operational efficiency, the Group wants to simplify the head office's organisational structure by rationalising and integrating the shared services dedicated to each region. Consequently, the headcount of the corporate functions dedicated to International Retail Banking would be reduced by nearly 40%.

### International Retail Banking

International Retail Banking's outstanding loans rose +3.3% and outstanding deposits +3.0% including the impact of disposals finalised in Q1 19. When adjusted for changes in Group structure and at constant exchange rates, outstanding loans were up +7.5%\* at EUR 92 billion at end-March 2019, with a healthy momentum in all regions especially in Russia in a very buoyant banking market. Deposit inflow was also dynamic, especially in Russia and Africa, with growth of +8.0%\* year-on-year. Outstanding deposits totalled EUR 83 billion at end-March 2019.

International Retail Banking revenues were 4.4% (8.3%\*) higher than in Q1 2018 at EUR 1,387 million, while operating expenses remained under control at EUR 858 million, up +1.3% (+5.7%\*) vs. Q1 18. Gross operating income came to EUR 529 million, up +10% (+12.9%\*) vs. Q1 18. International Retail Banking's contribution to Group net income amounted to EUR 246 million (+7.4% vs. Q1 18).

In Western Europe, the Group delivered a solid commercial performance. Outstanding loans were up +11.6% vs. end-March 2018, at EUR 20.7 billion. Car financing remained particularly buoyant in all regions. Revenues totalled EUR 216 million, up +10.2% vs. Q1 18, while operating expenses remained under control at EUR -104 million (+4%). With a stable net cost of risk, operating income was 26.2% higher. The contribution to Group net income came to EUR 59 million, up +28.3% vs. Q1 18.

In the Czech Republic, outstanding loans rose +0.9% (+2.4%\*) and outstanding deposits +2.7% (+4.2%\*) vs. end-March 2018. The volume effect, combined with a rise in rates, resulted in revenues increasing +5.2% (+6.4%\*) vs. Q1 18 to EUR 283

million in Q1 19. At the same time, operating expenses were slightly higher (+1.8%, +2.9%\*) at EUR -169 million. There was a net write-back in the net cost of risk of EUR 7 million compared with a net write-back of EUR 3 million in Q1 18. The contribution to Group net income came to EUR 61 million, up +15.1% vs. Q1 18.

In Romania, outstanding loans totalled EUR 6.4 billion at end-March 2019, down -1.6% but up +4.9% when adjusted for changes in Group structure and at constant exchange rates vs. end-March 2018. Over the same period, deposits were slightly lower (-2.1%) at EUR 9.3 billion (stable at constant exchange rates). Still driven by a backdrop of rising interest rates and a good commercial performance, net banking income climbed +7.2% (+9.1%\*) vs. Q1 18. Operating expenses were 11.1% (13%\*) higher given the increase in regulatory and payroll costs. There was a net write-back in the net cost of risk of EUR 5 million compared with a net write-back of EUR 33 million in Q1 18 which included insurance payouts. The BRD group posted a contribution to Group net income of EUR 24 million, down -38.5% vs. Q1 18.

In other European countries, outstanding loans and deposits were lower at current structure by respectively -20.2% and -27.7% given the disposals finalised in Q1 19. However, when adjusted for changes in Group structure and at constant exchange rates, there was a healthy commercial momentum with growth in outstanding loans of +7.0%\* and deposits of +7.7%\* vs. end-March 2018. Revenues declined -17.9% (+6.5%\*) vs. Q1 18, while operating expenses were 27.8% (4.1%\*) lower than in Q1 18. The net cost of risk remained under control, resulting in a significant decline of -66.7% (-68.4%\*) vs. Q1 18. The contribution to Group net income came to EUR 37 million (+23.3%, +56.5%\*).

In Russia, commercial activity was dynamic in a buoyant banking market. At end-March 2019, outstanding loans were up +18.2%\* at constant exchange rates (+14.3% at current exchange rates) while outstanding deposits climbed +32.7%\* (+29.9%) benefiting from the surplus liquidity in the market. Net banking income for SG Russia<sup>(1)</sup> came to EUR 199 million in Q1 19, up +12.5%\* (+5% at current exchange rates) vs. Q1 18. Operating expenses were slightly higher (+3.2%\*, -3.1% at current exchange rates). The net cost of risk amounted to EUR 29 million, an increase of EUR 13 million compared to the low level in Q1 18. SG Russia made a positive contribution to Group net income of EUR 20 million in Q1 19, up +11.4% vs. Q1 18.

In Africa and the other regions where the Group operates, commercial activity was generally healthy in both Sub-Saharan Africa and the Mediterranean Basin. Outstanding loans rose +7.8% (+6.2%\*) vs. Q1 18 to EUR 21.4 billion. Outstanding deposits were significantly higher (+10.2%, +8.5%\*) especially in Sub-Saharan Africa at EUR 21.6 billion. Net banking income totalled EUR 427 million, up +8.9% (+6.7%\*). Operating expenses rose +11.5% (+9.3%\*), in conjunction with the commercial expansion and organisational changes. The contribution to Group net income came to EUR 53 million in Q1 19, up +8.2% vs. Q1 18.

## Insurance

The life insurance savings business saw outstandings increase +3.9%\* in Q1 2019. The share of unit-linked products in outstandings was 27% at end-March 2019, up +0.7 points vs. Q1 18.

Personal Protection insurance (premiums up +8%\* vs. Q1 18) maintained a good momentum. Likewise, Property/Casualty insurance continued on its healthy upward trend (premiums up +11.2%\* vs. Q1 18). International activity continued to enjoy strong growth.

The Insurance business posted a good financial performance in Q1 19, with net banking income increasing +2.2% (+2.4%\*) to EUR 231 million in Q1 19. Operating expenses rose 5.1% vs. Q1 18 to EUR 104 million, in conjunction with the Insurance business' commercial expansion ambitions within the Group. The cost to income ratio remained at a low level (45%). The contribution to Group net income was 3.6% higher at EUR 87 million.

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(1) SG Russia encompasses the entities Rosbank, Delta Credit Bank, Rusfinance Bank, Societe Generale Insurance, ALD Automotive and their consolidated subsidiaries

## Financial Services to Corporates

Financial Services to Corporates maintained a good commercial momentum in Q1 19.

Operational Vehicle Leasing and Fleet Management saw an increase in its vehicle fleet (+9% vs. Q1 18) to 1.68 million vehicles at end-March 2019, primarily through organic growth, demonstrating the effectiveness of ALD's distribution channel diversification strategy.

Equipment Finance's outstanding loans were up +4% (+5%\*) in Q1 19 vs. Q1 18 at EUR 17.9 billion (excluding factoring).

Financial Services to Corporates' net banking income rose +5.3% in Q1 19 to EUR 458 million (+4.6%\*), with Equipment Finance revenues benefiting from an improvement in new business margins. Operating expenses increased +3.9% (+3.0%\*) vs. Q1 18 and amounted to EUR -242 million. The net cost of risk amounted to EUR 17 million, a reasonable level. The contribution to Group net income was EUR 131 million, up +12.9% vs. Q1 18.

## 5. GLOBAL BANKING & INVESTOR SOLUTIONS

<b>In EUR m</b>	<b>Q1 19</b>	<b>Q1 18</b>	<b>Change</b>	
Net banking income	2,239	2,215	+1.1%	-1.8%*
Operating expenses	(2,026)	(2,024)	+0.1%	-1.6%*
<b>Gross operating income</b>	<b>213</b>	<b>191</b>	<b>+11.5%</b>	<b>-3.8%*</b>
Net cost of risk	(42)	27	n/s	n/s
<b>Operating income</b>	<b>171</b>	<b>218</b>	<b>-21.6%</b>	<b>-31.3%*</b>
<b>Reported Group net income</b>	<b>140</b>	<b>166</b>	<b>-15.7%</b>	<b>-26.1%*</b>
RONE	3.4%	4.5%		
<b>Underlying RONE (1)</b>	<b>8.0%</b>	<b>10.2%</b>		

(1) Adjusted for the linearisation of IFRIC 21

Global Banking & Investor Solutions posted net banking income of EUR 2,239 million, up +1.1% vs. Q1 18 (-1.8%\*), driven by the good performance of Financing & Advisory which offset the low level of client activity in Global Markets.

### Adaptation of the strategy

As announced in February 2019 at the time of the publication of the 2018 full-year results, and following the review of Global Banking & Investor Solutions' business portfolio, the Group plans to make certain strategic adjustments in order to improve the structural profitability of its activities while better meeting the expectations of its clients.

Societe Generale will focus its Global Banking model on areas of strength where it has sustainable, differentiating competitive advantages. The Bank's leading position in Europe, the depth of its Corporate client portfolio, as well as its global franchises in equity derivatives and structured financing enable it to establish a position in high added value solutions that capitalise on its expertise in financial engineering, at the heart of its DNA.

The Group will therefore increase the allocation of its resources on the most appropriate client-offering-regional mix for clients and the Bank:

- In Global Markets, the Bank wants to prioritise investment and financing solutions, drawing on its leadership position in equity derivatives and structured products. There are plans to terminate OTC commodity activity and close the proprietary trading subsidiary. The Bank also wants to reorganise and refocus its flow activities (cash and flow derivatives) particularly in the Rate, Credit, Currency and Prime Services businesses in order to make them more profitable.
- In Financing & Advisory, the Bank intends to further align its teams and its offerings in order to pursue its growth plan. Accordingly, two Business Units will be combined into a single unit incorporating client relationship activities and investment banking, as well as financing activities. This new entity will help optimise the client portfolio and the Bank's geographical presence, based on the strength of its coverage and its leadership position in structured financing.
- In Asset & Wealth Management and Securities Services, measures will also be implemented in order to better focus the use of resources on core franchises and reduce costs.
- These businesses' support functions as well as the Group's Corporate Departments will also be adapted in order to include all the adjustments and improve their operational efficiency. In particular, the dedicated Operations and IT functions plan to accelerate their digital transformation as part of the platform strategy of the Global Banking & Investor Solutions' businesses.

These adjustments will have the following consequences on Global Banking & Investor Solutions' financial aggregates:

- A reduction in RWA of EUR 8 billion for Global Markets and EUR 2 billion for Financing & Advisory, with 75% achieved in 2019 and 25% in 2020.
- EUR 500 million of cost savings, with 20/30% achieved in 2019 and 70/80% in 2020.
- Restructuring costs of around EUR 250 million to EUR 300 million, which will be recognised in 2019.

The contribution to 2018 revenues of activities closed down and scaled back was around EUR 300 million.

## Global Markets & Investor Services

**Global Markets & Investor Services'** revenues were down -7.2% in Q1 19 vs. Q1 18, impacted by still challenging market conditions.

At EUR 450 million, the revenues of **Fixed Income, Currencies & Commodities** were down -15.9% in Q1 19 vs. Q1 18. Rate activities were hit by low rate volatility in Europe and weak client activity. This negative impact on revenues was mitigated by the improved performance of Credit and Emerging Market activities.

**Equities and Prime Services** posted net banking income of EUR 624 million in Q1 19, down -5.3% vs. Q1 18, impacted by sluggish commercial activity and volatility. At the same time, structured product portfolios benefited from more stable markets.

**Securities Services'** assets under custody amounted to EUR 4,083 billion at end-March 2019, up +1.8% vs. end-December 2018. Over the same period, assets under administration were 3.3% higher at EUR 629 billion. Revenues rose +11.8% in Q1 19 vs. Q1 18, to EUR 199 million. They included the positive revaluation of SIX securities for EUR 34 million.

## Financing & Advisory

**Financing & Advisory's** revenues totalled EUR 711 million in Q1 19, substantially higher (+18.5%) than in Q1 18.

Asset Financing continued to benefit from a good level of origination activity. The natural resources division enjoyed a healthy momentum in energy and large infrastructure project financing, and in the mining and metal industry sector.

Global Transaction Banking's earnings continued to rise in Q1 19 (+10%), with good commercial activity in Cash Management and Correspondent Banking despite the low interest rate environment.

## Asset and Wealth Management

The net banking income of the **Asset and Wealth Management** business line totalled EUR 255 million, up +4.9% vs. Q1 18, against the backdrop of a substantial slowdown in client activity.

**Private Banking's** assets under management totalled EUR 113 billion at end-March 2019, stable vs. December 2018. Net banking income was up +11.4% in Q1 19 vs. Q1 18 at EUR 206 million, including the revaluation of SIX securities for EUR 32 million.

**Lyxor's** assets under management came to EUR 121 billion at end-March 2019, 2.5% higher than in December 2018. Revenues totalled EUR 44 million in Q1 19, down -15.4% vs. Q1 18.

## Operating expenses

Global Banking & Investor Solutions' operating expenses were stable (-1.6%\*) compared to Q1 18 and amounted to EUR 2,026 million.

The cost to income ratio came to 90.5% (91.4% in Q1 18).

## Operating income

Gross operating income totalled EUR 213 million in Q1 19, up +11.5% (-3.8%\*) vs. Q1 18.

The net cost of risk amounted to EUR -42 million (compared to a net cost of risk of EUR +27 million due to provision write-backs in Q1 18).

Global Banking & Investor Solutions' operating income totalled EUR 171 million in Q1 19, down -21.6% (-31.3%\*) vs. Q1 18.

## Net income

The pillar's contribution to Group net income amounted to EUR 140 million in Q1 19, a decrease of -15.7% (-26.1%\*). When restated for IFRIC 21, the pillar's RONE stood at 8.0%.

## 6. CORPORATE CENTRE

<i>In EUR m</i>	<b>Q1 19</b>	<b>Q1 18</b>
Net banking income	(40)	82
Operating expenses	(73)	(46)
<b>Gross operating income</b>	<b>(113)</b>	<b>36</b>
Net cost of risk	0	(10)
Net profits or losses from other assets	(53)	(4)
<b>Reported Group net income</b>	<b>(207)</b>	<b>(15)</b>

The Corporate Centre includes:

- the property management of the Group's head office,
- the Group's equity portfolio,
- the Treasury function for the Group,
- certain costs related to cross-functional projects and certain costs incurred by the Group and not re-invoiced to the businesses.

The Corporate Centre's net banking income totalled EUR -40 million in Q1 19 vs. EUR +82 million in Q1 18.

Operating expenses totalled EUR -73 million in Q1 19 vs. EUR -46 million in Q1 18.

Gross operating income amounted to EUR -113 million in Q1 19 vs. EUR +36 million in Q1 18. Gross operating income is expected to be around EUR -500 million in 2019.

Net profits or losses from other assets totalled EUR -53 million in Q1 19 and consists of the effect of the application of IFRS 5 as part of the implementation of the Group's refocusing plan. In this respect, the Group recognised a capital loss of EUR -67 million in connection with the announced disposal of SKB in Slovenia. The Group also recognised an overall impact of EUR +14 million following the finalisation of the disposal of its Private Banking activities in Belgium, Societe Generale Albania, Express Bank in Bulgaria and La Banque Postale Financement.

The Corporate Centre's contribution to Group net income was EUR -207 million in Q1 19 vs. EUR -15 million in Q1 18.

## 7. CONCLUSION

Q1 2019 provided further evidence of the healthy momentum in the businesses, driven primarily by the strong growth in International Retail Banking & Financial Services and Financing & Advisory. French Retail Banking proved resilient, despite the ongoing unfavourable interest rate environment, and while continuing with its transformation. Global Banking & Investor Solutions applied a rigorously disciplined approach to the management of its costs and embarked on the adaptation of its operational set-up. The initial effects are already visible, with a reduction in Global Markets' risk-weighted assets.

The refocusing programme is being carried out under favourable conditions, with the finalisation of several disposals for a total impact on the CET1 ratio of +20 basis points in Q1 2019 and the announcement of the disposal of SKB in Slovenia representing the equivalent of around +7 basis points at the time of its finalisation.

The Group also reaffirmed its intention to support a proactive and responsible energy transition policy. It was ranked 2<sup>nd</sup> in renewable energy financing in the EMEA region in 2018<sup>(1)</sup>.

Overall, the performance of the businesses proved resilient in Q1 19 in an environment that remained unfavourable for European banks. Underlying Group net income amounted to EUR 1,010 million and underlying RONE stood at 8.4% in Q1 19. There was a substantial increase in the CET1 ratio at 11.7%<sup>(2)</sup>, confirming that the Group is well on track to achieve its target of a CET1 ratio of 12% in 2020.

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<sup>(1)</sup> Dealogic ranking of Financial Advisers in renewable energy financing in the EMEA region in 2018

<sup>(2)</sup> Taking into account the assumption of a 50% subscription rate for the option of a dividend payment in shares subject to approval by the Ordinary General Meeting on May 21st, 2019 and a pay-out ratio of 50% for Q1 19 earnings

## 8. 2019/2020 FINANCIAL CALENDAR

### *2019/2020 Financial communication calendar*

May 21 <sup>st</sup> , 2019	General Meeting of Shareholders
August 1 <sup>st</sup> , 2019	Second quarter and first half 2019 results
November 6 <sup>th</sup> , 2019	Third quarter and nine-month 2019 results
February 6 <sup>th</sup> , 2020	Fourth quarter and FY 2019 results
May 6 <sup>th</sup> , 2020	First quarter 2020 results
August 3 <sup>rd</sup> , 2020	Second quarter and first half 2020 results
November 5 <sup>th</sup> , 2020	Third quarter and nine-month 2020 results

**The Alternative Performance Measures, notably the notions of net banking income for the pillars, operating expenses, IFRIC 21 adjustment, (commercial) cost of risk in basis points, ROE, ROTE, RONE, net assets, tangible net assets, and the amounts serving as a basis for the different restatements carried out (in particular the transition from published data to underlying data) are presented in the methodology notes, as are the principles for the presentation of prudential ratios.**

This document 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 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.

## 9. APPENDIX 1: FINANCIAL DATA

### GROUP NET INCOME AFTER TAX BY CORE BUSINESS

In EURm	Q1 19	Q1 18	Change
<b>French Retail Banking</b>	234	270	-13.3%
<b>International Retail Banking &amp; Financial Services</b>	464	429	+8.2%
<b>Global Banking &amp; Investor Solutions</b>	140	166	-15.7%
<b>Core Businesses</b>	838	865	-3.1%
<b>Corporate Centre</b>	(207)	(15)	n/s
<b>Group</b>	631	850	-25.8%

## CONSOLIDATED BALANCE SHEET

<b>(ASSETS - in millions of euros)</b>	<b>31.03.2019</b>	<b>31.12.2018</b>
Central banks	98,301	96,585
Financial assets at fair value through profit or loss	406,414	365,550
Hedging derivatives	13,998	11,899
Financial assets measured at fair value through other comprehensive income	52,361	50,026
Securities at amortised cost	12,353	12,026
Due from banks at amortised cost	66,528	60,588
Customer loans at amortised cost	436,798	447,229
Revaluation differences on portfolios hedged against interest rate risk	187	338
Investment of insurance activities	152,898	146,768
Tax assets	5,725	5,819
Other assets	72,944	67,446
Non-current assets held for sale (1)	11,116	13,502
Investments accounted for using the equity method	260	249
Tangible and intangible assets (1)	29,199	26,751
Goodwill	4,562	4,652
<b>Total</b>	<b>1,363,644</b>	<b>1,309,428</b>

(1) At 1 January 2019, the first application of IFRS 16 results in the recognition of EUR 2,050 million of assets in respect of Rights of use recorded in Tangible and intangible fixed assets for EUR 2,008 million and Non-current assets held for sale for EUR 42 million.

<b>(LIABILITIES - in millions of euros)</b>	<b>31.03.2019</b>	<b>31.12.2018</b>
Central banks	8,307	5,721
Financial liabilities at fair value through profit or loss	390,915	363,083
Hedging derivatives	7,515	5,993
Debt securities issued	126,949	116,339
Due to banks	96,337	94,706
Customer deposits	409,856	416,818
Revaluation differences on portfolios hedged against interest rate risk	6,181	5,257
Tax liabilities	1,209	1,157
Other liabilities (1)	87,106	76,629
Non-current liabilities held for sale (1)	8,465	10,454
Liabilities related to insurance activities contracts	135,294	129,543
Provisions	4,547	4,605
Subordinated debts	14,247	13,314
<b>Total liabilities</b>	<b>1,296,928</b>	<b>1,243,619</b>
<b>SHAREHOLDERS' EQUITY</b>		
<b>Shareholders' equity, Group share</b>		
Issued common stocks, equity instruments and capital reserves	29,843	29,856
Retained earnings	32,032	28,342
Net income	631	3,864
<b>Sub-total</b>	<b>62,506</b>	<b>62,062</b>
Unrealised or deferred capital gains and losses	(676)	(1,036)
<b>Sub-total equity, Group share</b>	<b>61,830</b>	<b>61,026</b>
Non-controlling interests	4,886	4,783
<b>Total equity</b>	<b>66,716</b>	<b>65,809</b>
<b>Total</b>	<b>1,363,644</b>	<b>1,309,428</b>

NB. Customer loans include lease financing.

(2) At 1 January 2019, the first application of IFRS 16 results in the recognition of EUR 2,050 million of liabilities in respect of Lease liabilities recorded in Other liabilities for EUR 2,008 million and Non-current liabilities held for sale for EUR 42 million.

## **10. APPENDIX 2: METHODOLOGY**

### **1 - The Group's consolidated results as at March 31<sup>st</sup>, 2019 were examined by the Board of Directors on May 2<sup>nd</sup>, 2019.**

The financial information presented in respect of Q1 2019 has been prepared in accordance with IFRS as adopted in the European Union and applicable at that date. This information has not been audited.

### **2 - Net banking income**

The pillars' net banking income is defined on page 40 of Societe Generale's 2019 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 Societe Generale's 2019 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 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

It may be necessary for the Group to present underlying indicators in order to facilitate the understanding of its actual performance. The transition from published data to underlying data is obtained by restating published data for exceptional items and the IFRIC 21 adjustment.

Moreover, the Group restates 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.

The reconciliation enabling the transition from published accounting data to underlying data is set out in the table below:

Q1 19 (in EUR m)	Net Banking Income	Operating Expenses	Net profit or losses from other assets	Group net income
<b>Reported</b>	<b>6,191</b>	<b>(4,789)</b>	<b>(51)</b>	<b>631</b>
<i>(+) IFRIC 21 linearisation</i>		444		304
<i>(-) IFRS 5 effect on Group refocusing plan</i>			(53)	(75)
<b>Underlying</b>	<b>6,191</b>	<b>(4,345)</b>	<b>2</b>	<b>1,010</b>

Q1 18 (in EUR m)	Net Banking Income	Operating Expenses	Net profit or losses from other assets	Group net income
<b>Reported</b>	<b>6,294</b>	<b>(4,729)</b>	<b>1</b>	<b>850</b>
<i>(+) IFRIC 21 linearisation</i>		506		354
<b>Underlying</b>	<b>6,294</b>	<b>(4,223)</b>	<b>1</b>	<b>1,204</b>

## 6 – Cost of risk in basis points, coverage ratio for doubtful outstandings

The cost of risk or commercial cost of risk is defined on pages 42 and 562 of Societe Generale’s 2019 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.

	(In EUR m)	Q1 19	Q1 18
<b>French Retail Banking</b>	Net Cost Of Risk	94	134
	Gross loan Outstandings	191,422	185,209
	<b>Cost of Risk in bp</b>	<b>20</b>	<b>29</b>
<b>International Retail Banking &amp; Financial Services</b>	Net Cost Of Risk	128	91
	Gross loan Outstandings	129,861	131,630
	<b>Cost of Risk in bp</b>	<b>39</b>	<b>28</b>
<b>Global Banking &amp; Investor Solutions</b>	Net Cost Of Risk	43	(27)
	Gross loan Outstandings	164,811	147,714
	<b>Cost of Risk in bp</b>	<b>10</b>	<b>(7)</b>
<b>Corporate Centre</b>	Net Cost Of Risk	(0)	9
	Gross loan Outstandings	9,248	7,085
	<b>Cost of Risk in bp</b>	<b>(1)</b>	<b>52</b>
<b>Societe Generale Group</b>	Net Cost Of Risk	264	208
	Gross loan Outstandings	495,341	471,637
	<b>Cost of Risk in bp</b>	<b>21</b>	<b>18</b>

**The gross coverage ratio for doubtful outstandings** 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 (“doubtful”).

## 7 – ROE, ROTE, RONE

The notions of ROE (Return on Equity) and ROTE (Return on Tangible Equity), as well as their calculation methodology, are specified on page 42 and 43 of Societe Generale’s 2019 Registration Document. This measure makes it possible to assess Societe Generale’s return on equity and return on tangible equity.

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 Registration Document.

Group net income used for the ratio numerator is book Group net income adjusted for “interest, net of tax payable to holders of deeply subordinated notes and undated subordinated notes, interest paid to holders of deeply subordinated notes and undated subordinated notes, issue premium amortisations” and “unrealised gains/losses booked under shareholders’ equity, excluding conversion reserves” (see methodology note No. 9). For ROTE, income is also restated for goodwill impairment.

Details of the corrections made to book equity in order to calculate ROE and ROTE for the period are given in the table below:

## ROTE calculation: calculation methodology

End of period	Q1 19	Q1 18
<b>Shareholders' equity Group share</b>	<b>61,830</b>	<b>58,925</b>
Deeply subordinated notes	(9,473)	(8,362)
Undated subordinated notes	(283)	(263)
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	(37)	(218)
OCI excluding conversion reserves	(472)	(525)
Dividend provision	(2,025)	(2,136)
<b>ROE equity end-of-period</b>	<b>49,540</b>	<b>47,421</b>
<b>Average ROTE equity</b>	<b>49,434</b>	<b>47,523</b>
Average Goodwill	(4,701)	(5,158)
Average Intangible Assets	(2,193)	(1,966)
<b>Average ROTE equity</b>	<b>42,540</b>	<b>40,399</b>
<b>Group net income (a)</b>	<b>631</b>	<b>850</b>
<b>Underlying Group net income (b)</b>	<b>1,010</b>	<b>1,204</b>
Interest, net of tax on deeply subordinated notes and undated subordinated notes (c)	(110)	(102)
Cancellation of goodwill impairment (d)	67	
<b>Adjusted Group net Income (e) = (a)+ (c)+(d)</b>	<b>588</b>	<b>748</b>
<b>Adjusted Underlying Group net Income (f)=(b)+(c)</b>	<b>900</b>	<b>1,102</b>
<b>Average ROTE equity (g)</b>	<b>42,540</b>	<b>40,399</b>
ROTE [quarter: (4*e/g)]	5.5%	7.4%
<b>Average ROTE equity (underlying) (h)</b>	<b>42,730</b>	<b>40,576</b>
Underlying ROTE [quarter: (4*f/h)]	+8.4%	10.9%

## RONE calculation: Average capital allocated to Core Businesses (in EURm)

In EURm	Q1 19	Q1 18	Change
<b>French Retail Banking</b>	<b>11,257</b>	11,387	-1.1%
<b>International Retail Banking &amp; Financial Services</b>	<b>11,617</b>	11,400	+1.9%
<b>Global Banking &amp; Investor Solutions</b>	<b>16,582</b>	14,742	+12.5%
<b>Core Businesses</b>	<b>39,456</b>	37,529	+5.1%
<b>Corporate Centre</b>	<b>9,978</b>	9,994	-0.2%
<b>Group</b>	<b>49,434</b>	47,523	+4.0%

## 8 – Net assets and tangible net assets

Net assets and tangible net assets are defined in the methodology, page 45 of the Group's 2019 Registration Document. The items used to calculate them are presented below.

<b>End of period</b>	<b>Q1 19</b>	<b>2018</b>	<b>2017</b>
<b>Shareholders' equity Group share</b>	<b>61,830</b>	<b>61,026</b>	<b>59,373</b>
Deeply subordinated notes	(9,473)	(9,330)	(8,520)
Undated subordinated notes	(283)	(278)	(269)
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	(37)	(14)	(165)
Book value of own shares in trading portfolio	550	423	223
<b>Net Asset Value</b>	<b>52,587</b>	<b>51,827</b>	<b>50,642</b>
Goodwill	(4,544)	(4,860)	(5,154)
Intangible Asset	(2,162)	(2,224)	(1,940)
<b>Net Tangible Asset Value</b>	<b>45,881</b>	<b>44,743</b>	<b>43,548</b>
<b>Number of shares used to calculate NAPS**</b>	<b>804,211</b>	<b>801,942</b>	<b>801,067</b>
<b>Net Asset Value per Share</b>	<b>65.4</b>	<b>64.6</b>	<b>63.2</b>
<b>Net Tangible Asset Value per Share</b>	<b>57.1</b>	<b>55.8</b>	<b>54.4</b>

*\*\* The number of shares considered is the number of ordinary shares outstanding as at March 31<sup>st</sup>, 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.*

## 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 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. As specified on page 44 of Societe Generale's 2019 Registration Document, the Group also publishes EPS adjusted for the impact of non-economic and exceptional items presented in methodology note No. 5 (underlying EPS).

The calculation of Earnings Per Share is described in the following table:

<b>Average number of shares (thousands)</b>	<b>Q1 19</b>	<b>2018</b>	<b>2017</b>
<b>Existing shares</b>	<b>807,918</b>	<b>807,918</b>	<b>807,754</b>
<b>Deductions</b>			
Shares allocated to cover stock option plans and free shares awarded to staff	4,467	5,335	4,961
Other own shares and treasury shares	374	842	2,198
<b>Number of shares used to calculate EPS**</b>	<b>803,077</b>	<b>801,741</b>	<b>800,596</b>
<b>Group net Income</b>	<b>631</b>	<b>3,864</b>	<b>2,806</b>
Interest, net of tax on deeply subordinated notes and undated subordinated notes	(110)	(462)	(466)
Capital gain net of tax on partial buybacks			
<b>Adjusted Group net income</b>	<b>521</b>	<b>3,402</b>	<b>2,340</b>
<b>EPS (in EUR)</b>	<b>0.65</b>	<b>4.24</b>	<b>2.92</b>
<b>Underlying EPS* (in EUR)</b>	<b>1.12</b>	<b>5.00</b>	<b>5.03</b>

\* Excluding exceptional items and including linearisation of the IFRIC 21 effect.

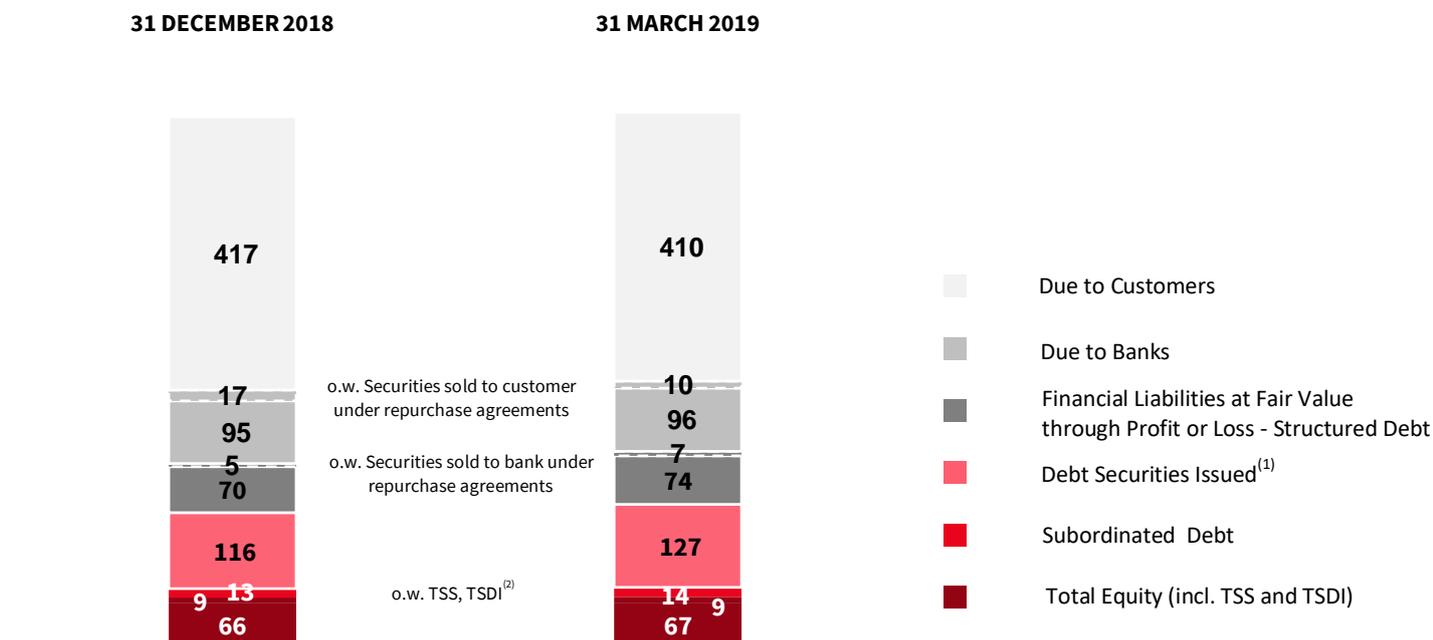
\*\* The number of shares considered is the number of ordinary shares outstanding as at March 31<sup>st</sup>, 2019, excluding treasury shares and buybacks, but including the trading shares held by the Group.

**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.

## 1.2 Financial policy

### Group debt policy – update of the 2019 Registration Document, pages 56 -58

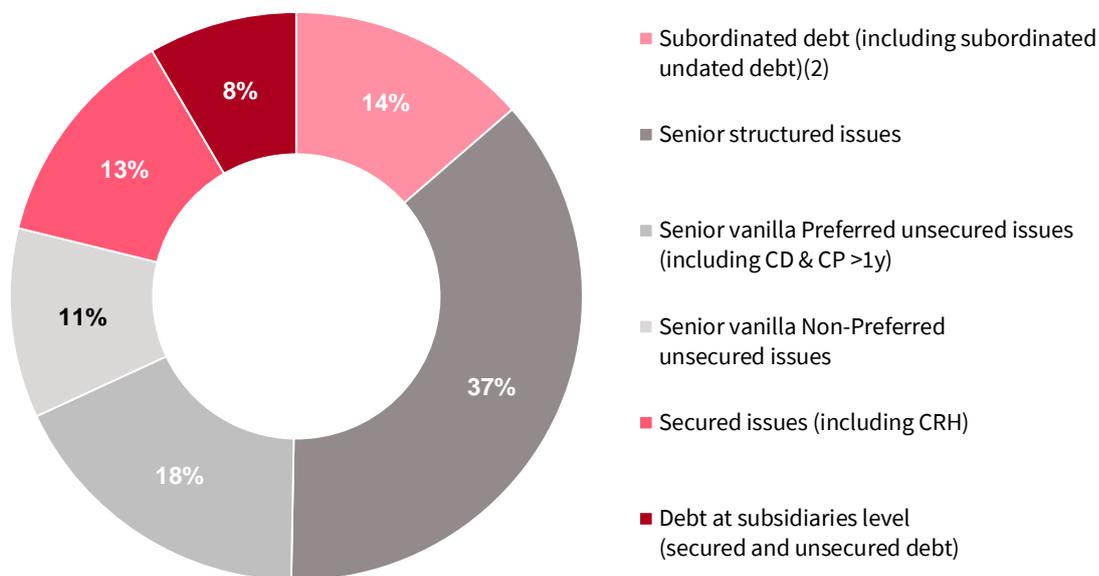
#### GROUP FUNDING STRUCTURE



(1) o.w. SGSCF: (EUR 3.4bn), SGSFH: (EUR 12.8bn), CRH: (EUR 5.9bn), securitisation and other secured issuances: (EUR 2.9bn), conduits: (EUR 10.8bn) at end-March 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.

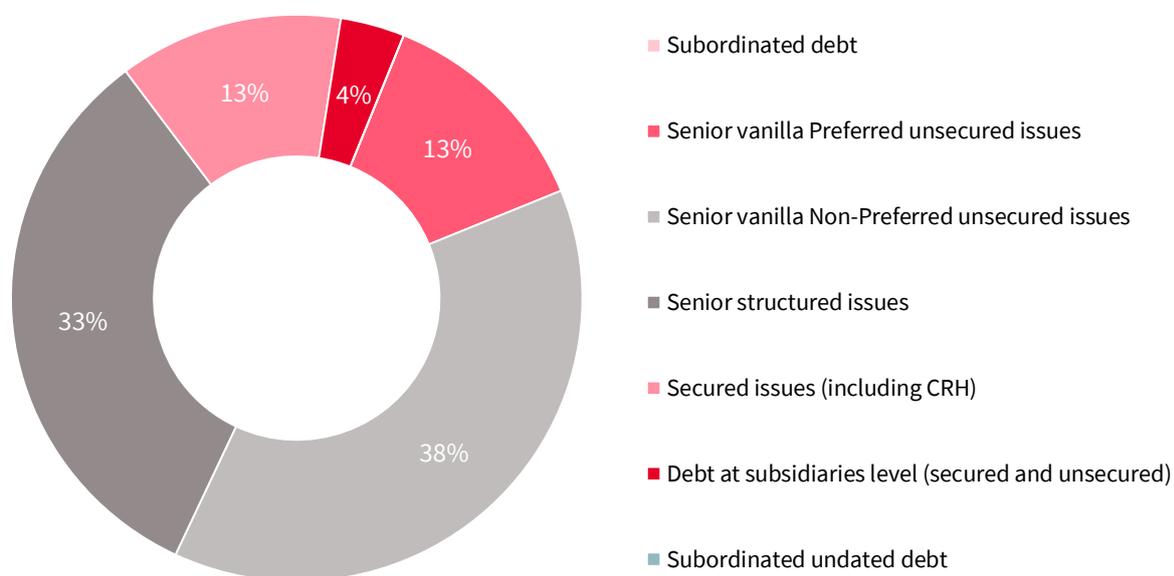
**GROUP LONG-TERM SECURITIES DEBT at 31.03.2019<sup>(1)</sup> : EUR 173.9bn**



(1) Group short-term securities outstanding totaled EUR 51.2bn as of 31 March 2019, of which EUR 10.8 bn issued by conduits

(2) Of which EUR 9.9bn accounted as "other equity instruments"

**COMPLETION OF THE FINANCING PROGRAMME AT END-MARCH 2019 : EUR 13.8bn**



## 2 - Chapter 3: Corporate governance

### 2.1 Board of Directors

The Board of Directors, based on the opinion of the Nomination and Corporate Governance Committee, submits to the vote of the ordinary General Meeting dated 21<sup>st</sup> May 2019 the renewal of three Directors, for a four-year term:

- Mr Frédéric Oudéa, Director since 2009 and Chief Executive Officer;
- Mrs Kyra Hazou, independent Director since 2011, member of the Audit and Internal Control Committee and member of the Risk Committee; and
- Mr Gérard Mestrallet, independent Director since 2015, Chairman of the Nomination and Corporate Governance Committee and member of the Compensation Committee.

If these resolutions are passed, the Board of Directors will be composed of 14 members including two Directors representing the employees elected by the employees in March 2018 for three years. It will comprise five women elected by the Meeting, i.e. 41.6% of its members elected by the shareholders and five foreigners. Its composition will be balanced in terms of expertise. The independent Directors' rate will be of more than 91.6% (11/12) according to the calculation method of the AFEF-MEDEF Code which excludes the employees. The composition of the Committees will be unchanged.

### 2.2 General Management

At the close of the vote of the ordinary General Meeting dated 21<sup>st</sup> May 2019, the Board will renew the term of office of Mr Frédéric Oudéa as Chief Executive Officer for four years, so that he may fully implement the strategic plan announced in 2017.

The terms of office of Mr Séverin Cabannes (Deputy Chief Executive Officer since 2008), Messrs Philippe Aymerich and Philippe Heim and Mrs Diony Lebot (Deputy Chief Executive Officers since May 2018) will also be renewed for four years.

### 2.3 Remuneration of Group Senior Management

The Table in page 106 of the English version of the 2019 Registration Document is corrected as follow (the French version remains unchanged):

		Quantitative targets						Total quantitative targets	Qualitative targets	Overall achievement rate for 2018 targets
		Group scope			Scope of responsibility of Deputy CEOs					
		EPS	GOI	C/I ratio	GOI	C/I ratio	EBT			
F. Oudéa	Weight	20%	20%	20%	-	-	-	60%	40%	71.3%
	Achievement rate	15.7%	13.5%	14.4%	-	-	-	43.5%	27.8%	
Ph. Aymerich	Weight	10%	10%	10%	10%	10%	10%	60%	40%	73.0%
	Achievement rate	7.8%	6.7%	7.2%	7.7%	7.9%	8.8%	46.1%	26.9%	
S. Cabannes <sup>(1)</sup> 1.01.2018-14.05.2018	Weight	20%	20%	20%	-	-	-	60%	40%	57.1%
	Achievement rate	15.7%	13.5%	14.4%	-	-	-	43.5%	24.4%	
S. Cabannes <sup>(1)</sup> 14.05.2018-31.12.2018	Weight	10%	10%	10%	10%	10%	10%	60%	40%	75.4%
	Achievement rate	7.8%	6.7%	7.2%	0.0%	4.4%	0.0%	26.2%	26.8%	
Ph. Heim	Weight	10%	10%	10%	10%	10%	10%	60%	40%	67.8%
	Achievement rate	7.8%	6.7%	7.2%	8.4%	8.4%	10.0%	48.6%	24.3%	
D. Lebot	Weight	20%	20%	20%	-	-	-	60%	40%	67.8%
	Achievement rate	15.7%	13.5%	14.4%	-	-	-	43.5%	24.3%	

Note: Percentages rounded to the nearest full number for the purposes of this chart.

EPS: Earnings per share.

GOI: Gross operating income.

EBT: Earnings before tax.

C/I ratio: Cost-to-income ratio.

(1) As of 14<sup>th</sup> May 2018, Séverin Cabannes, hitherto in charge of the control and resources functions of the Group, took up the supervision of the Global Banking and Investor Solutions businesses. As a result, his performance till 14<sup>th</sup> May 2018 is assessed on the Group scope alone and, as of 14<sup>th</sup> May 2018, on the Group scope and businesses under supervision.

The overall achievement rate given in the table reflects this weighting

## 3 - Chapter 4: Risks factors and capital adequacy

### 3.1 Regulatory ratios

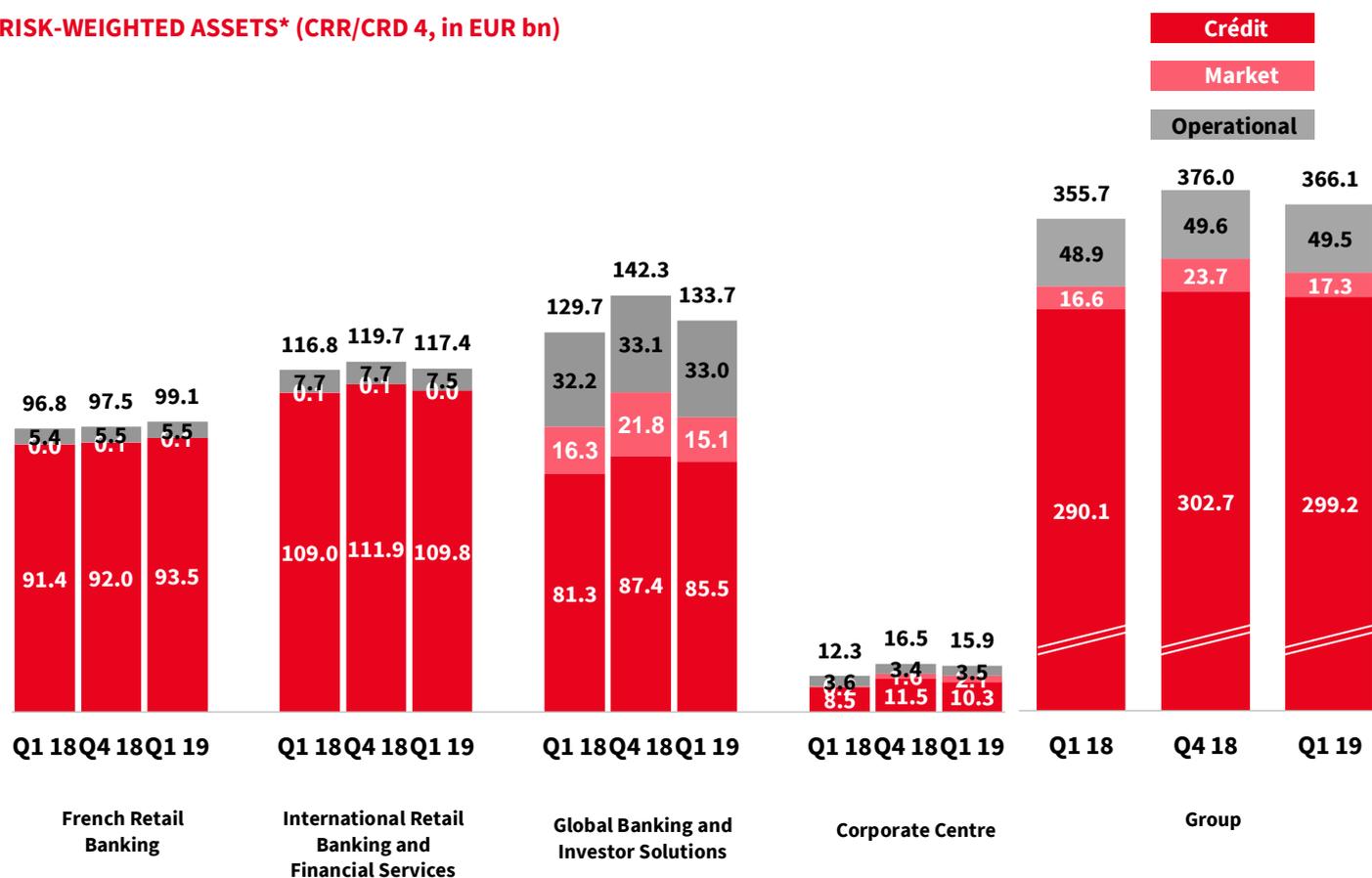
#### 3.1.1 Prudential ratio management – Update of the 2019 Registration Document, pages 182-183

During the first quarter of 2019, Societe Generale has made no subordinated bond issuance.

During this period, the Group has redeemed a Tier 2 bond for an amount of EUR 116 M, implemented in February 2019

#### 3.1.2 Extract from the presentation dated May 3, 2019: First quarter 2019 results (and supplements) – update of the page 186 of the 2019 Registration Document

##### RISK-WEIGHTED ASSETS\* (CRR/CRD 4, in EUR bn)



\* Includes the entities reported under IFRS 5 until disposal.  
Data restated reflecting new quarterly series published on 4 April 2018.

## 3.2 CRR/CRD4 prudential capital ratios

In EUR bn	31/03/2019	31/12/2018
<b>Shareholder equity Group share</b>	<b>61.8</b>	<b>61.0</b>
Deeply subordinated notes*	(9.5)	(9.3)
Undated subordinated notes*	(0.3)	(0.3)
Dividend to be paid & interest on subordinated notes	(1.3)	(1.0)
Goodwill and intangible	(6.3)	(6.7)
Non controlling interests	3.4	3.7
Deductions and regulatory adjustments	(4.9)	(5.3)
<b>Common Equity Tier 1 Capital</b>	<b>42.9</b>	<b>42.0</b>
Additionnal Tier 1 Capital	9.5	9.4
<b>Tier 1 Capital</b>	<b>52.5</b>	<b>51.4</b>
Tier 2 capital	11.5	11.5
<b>Total capital (Tier 1 + Tier 2)</b>	<b>64.0</b>	<b>62.9</b>
<b>Risk-Weighted Assets</b>	<b>366</b>	<b>376</b>
<b>Common Equity Tier 1 Ratio</b>	<b>11.7%</b>	<b>11.2%</b>
<b>Tier 1 Ratio</b>	<b>14.3%</b>	<b>13.7%</b>
<b>Total Capital Ratio</b>	<b>17.5%</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. Dividend to be paid calculated assuming a 50% take-up on 2018 scrip dividend (subject to General Meeting of shareholders approval on 21 May 2019). Common Equity Tier 1 Capital at 11.5% excluding scrip dividend.

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

\*\* Fully loaded deductions

### FINANCIAL CONGLOMERATE RATIO

At 31st December 2018, the financial conglomerate ratio was 133%, consisting of a numerator (“Own funds of the Financial Conglomerate”) of EUR 64.6 billion, and a denominator (“Regulatory requirement of the Financial Conglomerate”) of EUR 48.6 billion.

At 31st December 2017, the financial conglomerate ratio was 149%, consisting of a numerator “Own funds of the Financial Conglomerate” of EUR 62.6 billion, and a denominator “Regulatory requirement of the Financial Conglomerate” of EUR 42 billion.

## CRR LEVERAGE RATIO

In EUR bn	31/03/2019	31/12/2018
<b>Tier 1 Capital</b>	<b>52.5</b>	<b>51.4</b>
Total prudential balance sheet	1,228	1,175
Adjustement related to derivative exposures	(66)	(46)
Adjustement related to securities financing transactions*	(9)	(11)
Off-balance sheet (loan and guarantee commitments)	98	100
Technical and prudential adjustments (Tier 1 capital prudential deductions)	(10)	(10)
<b>Leverage exposure</b>	<b>1,241</b>	<b>1,208</b>
<b>CRR leverage ratio</b>	<b>4.2%</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 calculated assuming a 50% take up on 2018 scrip dividend (subject to General Meeting of shareholders approval)
- (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

## 3.3 Provisioning of doubtful loans - update of page 211 of the 2019 Registration Document

### NON PERFORMING LOANS

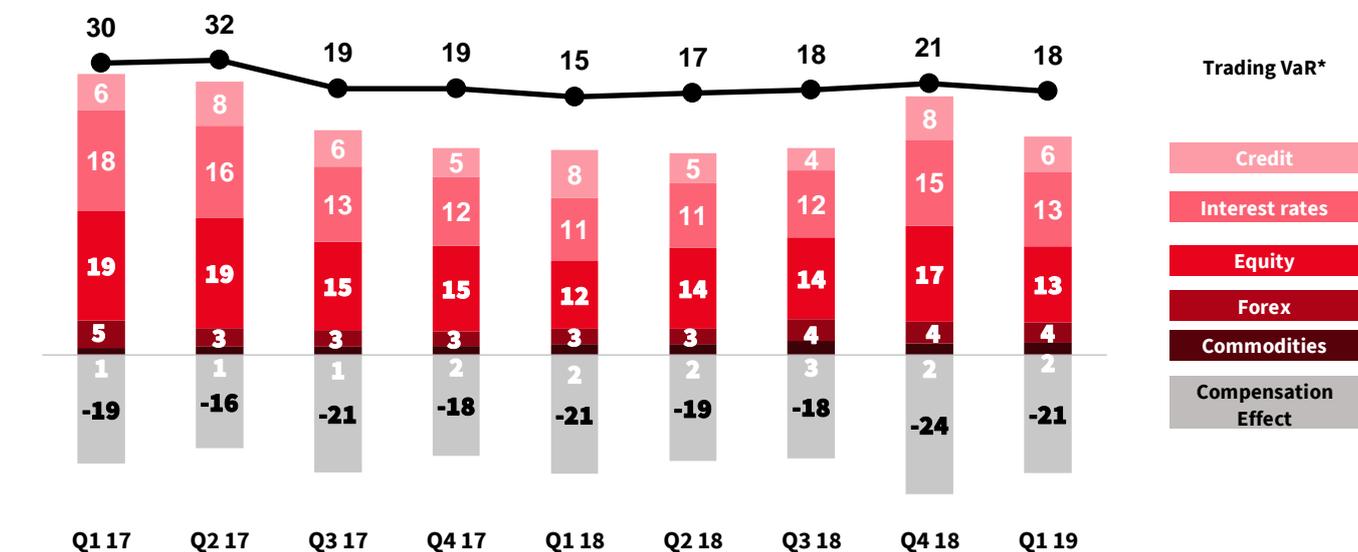
In EUR bn	31/03/2019	31/12/2018	31/03/2018
Gross book outstandings*	502.4	501.2	482.1
Doubtful loans*	17.7	18.0	20.4
<b>Group Gross non performing loans ratio*</b>	<b>3.5%</b>	<b>3.6%</b>	<b>4.2%</b>
Stage 1 provisions	0.9	0.9	1.0
Stage 2 provisions	1.0	1.0	1.2
Stage 3 provisions	9.7	9.7	11.3
<b>Group Gross doubtful loans coverage ratio* (Stage 3 provisions / Doubtful loans)</b>	<b>55%</b>	<b>54%</b>	<b>55%</b>

(\*) Customer loans, deposits at banks and loans due from banks, leasing and lease assets.

### 3.4 Change in trading VaR – Update of the 2019 Registration Document page 215

Quarterly average 99% Value at Risk (VaR), a composite indicator used for the day-to-day monitoring of the market risks incurred by the bank, on the scope of its trading activities, in millions of euros.

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

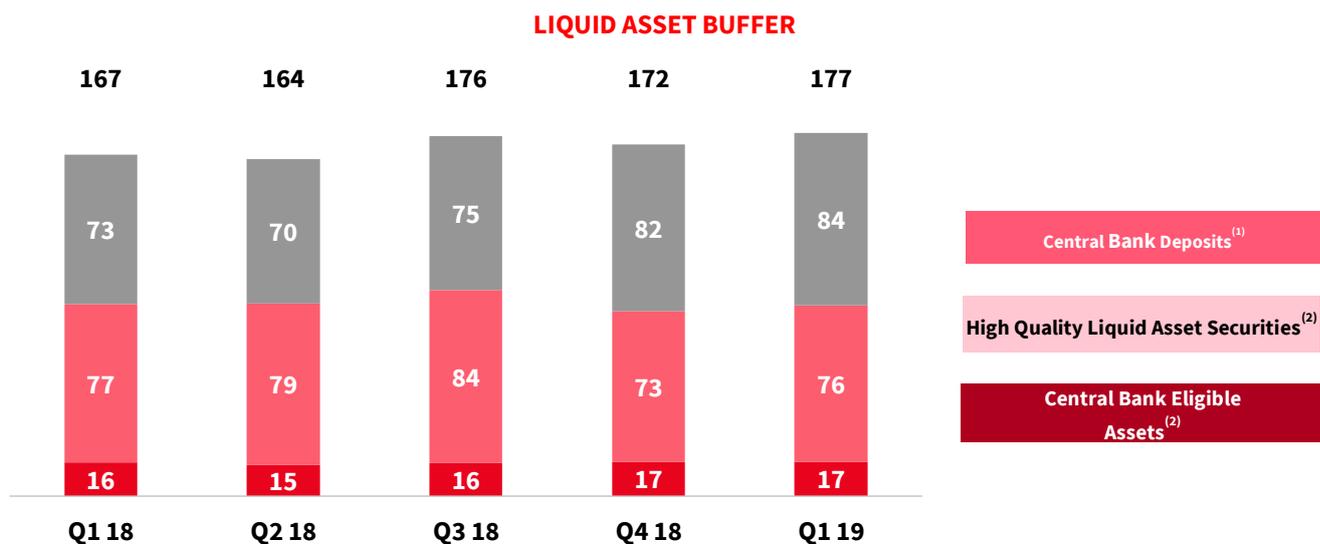


Stressed VAR** (1 day, 99%, in EUR m)	Q1 18	Q2 18	Q3 18	Q4 18	Q1 19
Minimum	14	18	21	34	22
Maximum	72	59	57	123	59
Average	34	33	34	62	36

\*Trading VaR: measurement over one year (i.e. 260 scenario) 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.

### 3.5 Liquidity risks - Liquid asset buffer – update of page 234 of the 2019 Registration Document



**Liquidity Coverage Ratio at 140% on average in Q1 19**

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

### 3.6 Operational risks - Correction of the table page 227 of the 2019 Registration Document

Table 36 presented in page 227 of the 2019 Registration Document is corrected as follows:

	31.12.2018				31.12.2017			
	RWA under Standardised approach	RWA under Measurement Approach (AMA)	Total RWA	Capital requirements	RWA under Standardised approach	RWA under Measurement Approach (AMA)	Total RWA	Capital requirements
<i>(In EUR m)</i>								
Global Banking and Investor Solutions	289	32,804	33,093	2,647	289	31,702	31,991	2,559
Corporate Centre	275	3,138	3,413	273	463	3,172	3,635	291
International Retail Banking and Financial Services	2,284	5,376	7,659	613	2,226	5,501	7,727	618
French Retail Banking	23	5,432	5,455	436	42	5,600	5,642	452
<b>TOTAL</b>	<b>2,872</b>	<b>46,749</b>	<b>49,621</b>	<b>3,970</b>	<b>3,020</b>	<b>45,975</b>	<b>48,995</b>	<b>3,920</b>

### 3.7 Risks and litigation - Update of the 2019 Registration Document page 242

- In connection with investigations regarding submissions for setting certain London Interbank Offered Rates and the Euro Interbank Offered Rate (“the IBOR matter”), the Bank continues to defend civil proceedings in the United States (as described below) and to respond to information requests received from other authorities, including the Attorneys General of various States of the United States and the New York Department of Financial Services (“NYDFS”).

In the United States, Societe Generale, along with other financial institutions, has been named as a defendant in putative class actions involving the setting of US Dollar Libor, Japanese Yen Libor, and Euribor rates and trading in instruments indexed to those rates. Societe Generale has also been named in several individual (non-class) actions concerning the US Dollar Libor rate. All of these actions are pending in the US District Court in Manhattan (the “District Court”).

As to US Dollar Libor, all claims against Societe Generale have been dismissed by the District Court or voluntarily dismissed by the plaintiffs, except in two putative class actions and one individual action that are effectively stayed. Certain individual plaintiffs whose claims were dismissed filed motions for leave to amend their complaints to add or revive claims against Societe Generale, but those applications were denied by the District Court. The class plaintiffs and a number of individual plaintiffs have appealed the dismissal of their antitrust claims to the United States Court of Appeals for the Second Circuit.

As to Japanese Yen Libor, the District Court dismissed the complaint brought by purchasers of Euroyen over-the-counter derivative products and the plaintiffs have appealed that ruling to the United States Court of Appeals for the Second Circuit. In the other action, brought by purchasers or sellers of Euroyen derivative contracts on the Chicago Mercantile Exchange, the District Court has allowed certain Commodity Exchange (“CEA”) Act claims to proceed to discovery. The plaintiff’s deadline to move for class certification in that action is now 21 August 2019.

As to Euribor, the District Court dismissed all claims against Societe Generale in the putative class action and denied the plaintiffs’ motion to file a proposed amended complaint.

In Argentina, Societe Generale, along with other financial institutions, has been named as a defendant in litigation brought by a consumer association on behalf of Argentine consumers who held government bonds or other specified instruments that paid interest tied to US Dollar Libor. The allegations concern violations of Argentine consumer protection law in connection with alleged manipulation of the US Dollar Libor rate. Societe Generale has not yet been served with the complaint in this matter.

- Beginning on 15 January 2019, Societe Generale and SG Americas Securities, LLC (“SGAS”), along with other financial institutions, have been named in three putative antitrust class actions in the US District Court in Manhattan. Plaintiffs allege that the USD ICE LIBOR panel banks conspired to make artificially low submissions to that benchmark in order to profit on their trading in derivatives tied to USD ICE LIBOR. Plaintiffs seek to certify a class comprised of U.S residents (individuals and entities) that transacted with a defendant in floating rate debt instruments or interest rate swaps tied to USD ICE LIBOR and received a payment at any time between February 1, 2014 to the present, regardless of when the instrument was purchased.
- On 30 January 2015, the CFTC served Societe Generale with a subpoena requesting the production of information and documents concerning trading in precious metals done since 1 January 2009. Societe Generale cooperated with the authorities and produced documents in 2015. There has been no contact with the CFTC since that time. In light of the dormancy of this matter over several years, Societe Generale has determined that it no longer presents a material loss contingency risk.
- Societe Generale, along with several other financial institutions, was named as a defendant in a putative class action alleging violations of US antitrust laws and the CEA in connection with foreign exchange spot and derivatives trading. The action was brought by persons or entities that transacted in certain over-the-counter and exchange-traded foreign exchange instruments. Societe Generale has reached a settlement of USD 18 million, which was approved by the Court on 6 August 2018. A separate putative class action behalf of putative classes of indirect purchasers is also pending. An amended complaint was filed on 21 November 2018, and a motion to dismiss was filed on 20 December 2018. On 7 November 2018, a group of individual entities that elected to opt out of the main class action settlement filed a lawsuit against SG, SG Americas Securities, LLC, and several other financial institutions. A motion to dismiss was filed on 1 April 2019.

## 3.8 Capital Management and adequacy

The tables relating to liabilities on pages 180 and 181 (table 2: Reconciliation of the consolidated balance sheet and the prudential accounting balance sheet) of the 2019 Registration Document are corrected below. The French version remains unchanged.

	Consolidated	Prudential	Prudential	Accounting balance
	balance sheet	restatements linked to insurance (1)	restatements linked to consolidation methods	sheet within the prudential scope
<b>LIABILITIES at 31.12.2018</b>				
<i>(In EUR m)</i>				
Due to central bank	5,721	0	0	5,721
Financial liabilities at fair value through profit or loss	363,083	2,472	0	365,555
Hedging derivatives	5,993	8	0	6,001
Debt securities issued	116,339	1,757	0	118,096
Due to bank	94,706	(2,966)	(30)	91,710
Customer deposits	416,818	1,529	40	418,387
Revaluation differences on portfolios hedged against interest rate risk	5,257	0	0	5,257
Tax liabilities	1,157	(333)	0	824
Other Liabilities	76,629	(6,996)	341	69,974
Non-current liabilities held for sale	10,454	58	0	10,512
Liabilities related to insurance activities contracts	129,543	(129,543)	0	0
Provisions	4,605	(12)	0	4,593
Subordinated debts	13,314	139	0	13,453
of which redeemable subordinated notes including revaluation differences on hedging items	12,730	139	0	12,869
<b>TOTAL DEBTS</b>	<b>1,243,619</b>	<b>(133,887)</b>	<b>351</b>	<b>1,110,083</b>
Equity, Group share	61,026	(203)	0	60,823
of which capital and related reserves	19,995	0	0	19,995
of which other capital instruments	9,109	0	0	9,109
of which retained earnings	3,448	0	0	3,448
of which accumulated other comprehensive income (including gains and losses accounted directly in equity)	24,610	(203)	0	24,407
of which net income	3,864	0	0	3,864
Minority interests	4,783	(815)	0	3,968
<b>TOTAL EQUITY</b>	<b>65,809</b>	<b>(1,018)</b>	<b>0</b>	<b>64,791</b>
<b>TOTAL LIABILITIES</b>	<b>1,309,428</b>	<b>(134,905)</b>	<b>351</b>	<b>1,174,874</b>
<b>LIABILITIES at 01.01.2018</b>				
<i>(In EUR m)</i>				
	Consolidated	Prudential	Prudential	Accounting balance
	balance sheet	restatements linked to insurance (1)	restatements linked to consolidation methods	sheet within the prudential scope
Due to central bank	5,604	0	0	5,604
Financial liabilities at fair value through profit or loss	368,550	2,198	0	370,748
Hedging derivatives	6,146	17	0	6,163
Debt securities issued	103,235	1,608	0	104,843
Due to bank	88,621	(3,916)	(14)	84,691
Customer deposits	410,633	1,807	120	412,560
Revaluation differences on portfolios hedged against interest rate risk	6,020	0	0	6,020
Tax liabilities	1,608	(373)	0	1,235
Other Liabilities	69,139	(6,445)	134	62,828
Non-current liabilities held for sale	0	0	0	-
Liabilities related to insurance activities contracts	131,717	(131,717)	0	-
Provisions	6,345	(16)	0	6,329
Subordinated debts	13,647	208	0	13,855
of which redeemable subordinated notes including revaluation differences on hedging items	13,095	204	0	13,299
<b>TOTAL DEBTS</b>	<b>1,211,265</b>	<b>(136,629)</b>	<b>240</b>	<b>1,074,876</b>
Equity, Group share	58,428	(203)	0	58,225
of which capital and related reserves	19,996	0	0	19,996
of which other capital instruments	8,565	0	0	8,565
of which retained earnings	5,280	0	0	5,280
of which accumulated other comprehensive income (including gains and losses accounted directly in equity)	21,781	0	0	21,781
of which net income	2,806	(203)	0	2,603
Minority interests	4,523	(848)	0	3,675
<b>TOTAL EQUITY</b>	<b>62,951</b>	<b>(1,051)</b>	<b>0</b>	<b>61,900</b>
<b>TOTAL LIABILITIES</b>	<b>1,274,216</b>	<b>(137,680)</b>	<b>240</b>	<b>1,136,776</b>

(1) Restatement of entities outside the prudential reporting scope and reconsolidation of intra-group transactions related to its entities.

## 4 - Chapter 5: Corporate social responsibility

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### 4.1 Correction of page 284 of the 2019 Registration Document

The fourth paragraph of page 284 is modified as follow:

18,668 Group's employees got involved in one of these initiatives during their working hours in 2018. This is the equivalent of almost half a day devoted to solidarity initiatives per Societe Generale employee.

### 4.2 Employee share plan: update of page 264 of the 2019 Registration Document

#### 2019 Plan

Based on a proposal from the Compensation Committee, the Board of Directors, at its meeting of 13<sup>th</sup> March 2019, granted performance shares to certain members of staff in accordance with the 25<sup>th</sup> and 26<sup>th</sup> resolutions of the General Meeting held in May 2018.

Pursuant to the 25<sup>th</sup> resolution, the performance shares granted under the specific loyalty and remuneration policy for regulated persons as defined by banking regulations (including Chief Executive Officers and General Management Committee members) represent 0.16% of the share capital, corresponding to a total of approximately 1,314,000 shares. Their vesting periods range from two to six years, followed by a holding period of at least six months. The vestings of the shares are subject to performance conditions related to the profitability of the Group and/or the Core Business or business line.

Pursuant to the 26<sup>th</sup> resolution, the beneficiaries of the long-term incentive plan numbered 5,227, receiving approximately 1,545,000 shares in total, i.e. 0.19% of the share capital. The Chief Executive Officers and members of the Group Management Committee were not beneficiaries of the plan. Plan beneficiaries comprised 2,137 women and 3,090 men belonging to other employee categories (including non-executives) spread over nearly 54 different countries; 38% work outside France.

All shares are granted subject to a condition of presence throughout the vesting period as well as a performance condition based on the Societe Generale Group's net income. The shares will definitively vest for each beneficiary after three years.

## 5 - Chapter 8: Person responsible for the update of the Registration Document

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### 5.1 Person responsible for the update of the Registration Document

**Mr. Frédéric OUDÉA**

Chief Executive Officer of Societe Generale

### 5.2 Statement of the person responsible

I hereby certify, after taking all reasonable measures for this purpose, that the information contained in this update of the 2019 Registration Document is, to my knowledge, in accordance with the facts and contains no omission likely to affect its meaning.

I have received a completion letter from the Statutory Auditors, stating that they have audited the information about the financial position and accounts contained in this update, and that they have read the 2019 Registration Document and this update in their entirety.

Paris, on 6 May 2019

**Mr. Frédéric OUDÉA**

Chief Executive Officer of Societe Generale

## 5.3 Persons responsible for the audit of the accounts

### STATUTORY AUDITORS

**Name:** Company Ernst & Young et Autres  
represented by Mr. Micha Missakian

**Address:** 1/2, place des Saisons  
92400 Courbevoie – Paris-La Défense (France)

**Date of appointment:** 22 May 2012

**Date of renewal:** 23 May 2018

**Duration of current term of office:** six financial years

**End of current term of office:** at the close of the Ordinary General Meeting called to approve the accounts for the year ended 31 December 2023

**Name:** Company Deloitte & Associés  
represented by Mr. Jean-Marc Mickeler

**Address:** 6, place de la Pyramide  
92908 Paris-La Défense Cedex (France)

**Date of first appointment:** 18 April 2003

**Date of latest renewal:** 23 May 2018

**Duration of current term of office:** six financial years

**End of current term of office:** at the close of the Ordinary General Meeting called to approve the accounts for the year ended 31 December 2023

The companies Ernst & Young et Autres and Deloitte & Associés are registered as Statutory Auditors with the Compagnie régionale des Commissaires aux comptes de Versailles.

## 6 - Chapter 9 : Cross-reference table

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