SOCIETE GENERALE

PRESS RELEASE

QUARTERLY FINANCIAL INFORMATION

Paris, May 7th, 2014

Q1 14: GOOD OPERATING PERFORMANCES IN A STILL SLUGGISH ENVIRONMENT

- **Group revenues**: EUR 5.8bn, up +3.3% vs. Q1 13**
  Book net banking income: EUR 5.7bn, +18.8%* vs. Q1 13
- **Stable operating expenses*: +0.2%* vs. Q1 13**
- **Sharp decline in the cost of risk (65bp)(1): -27.1%* vs. Q1 13**
  - **Improvement in operating income** to EUR 1,287m in Q1 14 (vs. EUR 745m in Q1 13)**
- **Finalisation of the acquisition of Newedge Group**
- **Goodwill write-down on Russian activities: EUR -525m impact on Group net income, Group net income** reduced from EUR 941m to EUR 416m (EUR 798m in Q1 13)**
- **Book Group net income: EUR 315m**
- **Increase in the CET1 ratio to 10.1%**

EPS(2): EUR 0.30

*	When adjusted for changes in Group structure and at constant exchange rates. The variations for revenues excluding the effect of the revaluation of own financial liabilities disregard any currency impact of this revaluation.
**	Excluding non-economic items (revaluation of own financial liabilities for EUR -158m in Q1 14 and EUR -1,045m in Q1 13 in net banking income, or an impact on Group net income of respectively EUR -104m and EUR -685m; and DVA – *debt value adjustment* implemented following the application of IFRS 13 for EUR +5m in net banking income in Q1 14 and EUR +383m in Q1 13, or an impact on Group net income of respectively EUR +3m and EUR +251m).)

Items relating to financial data for 2013 have been restated due to the implementation of IFRS 10 and 11 which apply retrospectively as from January 1st, 2014.

(1) Excluding litigation issues, in basis points for assets at the beginning of the period.

(2) After deducting interest, net of tax effect, to be paid to holders of deeply subordinated notes and undated subordinated notes for Q1 14 (respectively EUR 84 million and EUR 2 million), and correction of the effect of capital gains/losses on partial buybacks recorded during the quarter (i.e. EUR +6 million in Q1 14). See methodology note No. 3. Excluding the revaluation of own financial liabilities, and DVA (*Debt Value Adjustment* on financial instruments as a result of the implementation of IFRS 13), earnings per share amounts to EUR 0.43, after deducting interest payable to holders of deeply subordinated notes and undated subordinated notes.

PRESS RELATIONS

LAETITIA MAUREL
+33(0)1 42 13 88 68
Laetitia.a.maurel@socgen.com

HELENE AGABRIEL
+33(0)1 41 45 98 33
Helene.agabriel@socgen.com

NATHALIE BOSCHAT
+33(0)1 42 14 83 21
Nathalie.boschat@socgen.com

ANTOINE LHERITIER
+33(0)1 42 13 68 99
Antoine.lheritier@socgen.com

ASTRID FOULD-BACQUART
+33(0)1 56 37 67 95
Astrid.Fould-Bacquart@socgen.com

SOCIETE GENERALE
COMM/PRS
75886 PARIS CEDEX 18
SOCIETEGENERALE.COM

A FRENCH CORPORATION WITH SHARE CAPITAL OF
EUR 1,000,024,292.50
552 120 222 RCS PARIS

The Board of Directors of Societe Generale examined the results for Q1 2014 on May 6th, 2014.

In a generally still lacklustre environment, the Group achieved a good operating performance. The **Group's net banking income**, when restated for non-economic items (revaluation of own financial liabilities and debt value adjustment), amounted to EUR 5,829 billion, up +3.3% vs. Q1 2013.

Commercial activity was buoyant in the first quarter of the year, especially in Retail Banking. In France, against the backdrop of a slow improvement in economic activity, the Group continued to win customers and deposit inflow remained strong. Revenues were stable vs. 2013 despite low interest rates and the decline in overdraft fees imposed by French banking law. In International Retail Banking & Financial Services, revenues rose +2.4%* vs. Q1 13 with, in particular, still healthy deposit inflow and solid performances by Financial Services to Corporates and Insurance. Revenues were resilient in Global Banking & Investor Solutions, with a moderate decline of -4.7%* vs. Q1 13, in a market environment characterised by low volumes in secondary fixed income activities.

Operating expenses were stable (+0.2%*) vs. Q1 13, testifying to the disciplined management of resources.

As anticipated, the **cost of risk** was substantially lower, with net provisions reduced by -27.1%* compared with the same period in 2013, and a commercial cost of risk of 65 basis points[(1)] vs. 75 basis points in Q1 2013.

Accordingly, the **Group's operating income** (excluding the revaluation of own financial liabilities and DVA) increased to EUR 1,287 million, vs. EUR 745 million in Q1 2013.

Q1 2014 was marked by the emergence of the crisis in Ukraine, with repercussions on the Russian economy, which experienced a sharp slowdown. The Group confirmed its long-term view of the potential of the Russian banking market and its commitment, with the purchase of minority interests amounting to 7% of Rosbank's capital on April 11th, 2014. At the same time, the decline in the rouble, growing uncertainty concerning the environment and delayed performances prompted the Group to write down goodwill on Russian activities, with a negative impact of EUR -525 million on Q1 14 Group net income. On May 13th, the Group will present its 3-year development strategy for Russia, which reinforces the capacity to achieve satisfactory profitability in 2016 in a scenario of gradually easing tensions. The Group also reiterates that Russia represents 3% of its global exposure and that it has no material exposure to Ukraine.

In Q1 14, the Group also pursued its strategy to optimise capital allocation, with the announcement of the disposal of its Private Banking activities in Asia. The acquisition of the entire Newedge Group was finalised on May 6th, 2014, all the regulatory authorisations having been obtained.

Group net income totalled EUR 315 million (vs. EUR 364 million in Q1 13). When restated for non-economic items**, Group net income amounted to EUR 416 million – and EUR 941 million before the goodwill write-down on Russian activities (the corresponding Group net income in Q1 13 was EUR 798 million and benefited from the capital gain on the disposal of the Egyptian subsidiary NSGB).

Finally, the Group provided further confirmation of the soundness of its balance sheet, with a Common Equity Tier 1 ratio of 10.1% (slightly higher) and a LCR ratio still well above 100%.

Commenting on the Group's results at end-March 2014, Frédéric Oudéa – Chairman and CEO – stated:

"In Q1 2014, Societe Generale provided further confirmation of the positive operating momentum of its activities, with solid revenues, stable costs and a lower cost of risk. French and International Retail Banking enjoyed buoyant activity, underpinned by strong deposit inflow, while Global Banking & Investor Solutions demonstrated the solidity of its commercial performance and its profitability in a sluggish environment. The capital ratio (Common Equity Tier 1 of 10.1%) and liquidity ratio are robust and well above regulatory requirements.

[(1)] Annualised, excluding litigation issues, in respect of assets at the beginning of the period and including operating leases. Also excluding legacy assets in 2013.

At a time when Societe Generale, founded on May 4th, 1864, is celebrating 150 years of serving the economy, the Group's new transformation and development phase is well under way. The Group will provide details of its strategic priorities and financial objectives for the next three years on May 13th".

1 - GROUP CONSOLIDATED RESULTS

In EUR m	Q1 13	Q1 14	Change Q1 vs. Q1
Net banking income	4,981	5,676	+14.0%
*On a like-for-like basis**			*+18.8%*
*Net banking income***	*5,643*	*5,829*	*+3.3%*
Operating expenses	(3,971)	(3,875)	-2.4%
*On a like-for-like basis**			*+0.2%*
Gross operating income	1,010	1,801	+78.3%
*On a like-for-like basis**			*+97.6%*
Net cost of risk	(927)	(667)	-28.0%
Operating income	83	1,134	x13.7
*On a like-for-like basis**			*NM*
Impairment losses on goodwill	0	(525)	NM
Reported Group net income	364	315	-13.3%
Group ROE (after tax)	2.8%	2.2%	

Net banking income

The Group's net banking income totalled EUR 5,676 million in Q1 14, up +14.0% vs. Q1 13, or EUR 5,829 million excluding non-economic items[1] (+3.3%).

For the record, Q1 13 revenues bore the expense of the initial application of IFRS 13, with a cost related to CVA[1] of around EUR -460 million. When restated for this additional factor in Q1 13 and Q1 14 (for EUR +52 million), revenues were slightly lower (-2.1%* excluding non-economic items).

- **French Retail Banking (RBDF)** revenues were stable vs. Q1 13. In a sluggish economic environment, they were underpinned by very strong deposit inflow, with healthy growth in digital banking activities, where Societe Generale confirmed its leadership position in France.

- In **International Retail Banking & Financial Services (IBFS)**, revenues were up +2.4%*. They were slightly lower in Europe (-3.7%*) and significantly higher in Russia (+8.3%*) as well as the rest of the world (+2.7%*) in International Retail Banking. Financial Services to Corporates (+13.9%*) and Insurance (+6.1%*) provided further confirmation of their dynamism.

- In **Global Banking & Investor Solutions (GBIS)**, good client-driven activity underpinned resilient revenues (-4.7%*), in an uncertain environment.

The accounting impact of the revaluation of the Group's own financial liabilities was EUR -158 million in Q1 14 (EUR -1,045 million in Q1 13), and represents the bulk of the Corporate Centre's net banking income. Adjustments related to DVA (see methodology note No. 8) totalled EUR +5 million in Q1 14 (EUR +383 million in Q1 13, the date IFRS 13 came into force) and are allocated mainly to Global Banking & Investor Solutions' revenues.

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[1] See methodology note No. 8. CVA: *Credit Value Adjustment* implemented from January 1st, 2013 in accordance with the application of IFRS 13.

Operating expenses

The Group's operating expenses came to EUR -3,875 million in Q1 14 (EUR -3,971 million in Q1 13), down -2.4% (stable when adjusted for changes in Group structure and at constant exchange rates, +0.2%*). Efforts to control operating expenses were particularly noticeable in French Retail Banking (-0.4%*), with a moderate increase in International Retail Banking & Financial Services and Global Banking & Investor Solutions, reflecting the targeted investments in these businesses.

Operating income

The Group's gross operating income was sharply higher, at EUR 1,801 million in Q1 14 vs. EUR 1,010 million in Q1 13, primarily due to the effect of non-economic variations attributable to the revaluation of own financial liabilities.

Gross operating income rose +0.7%* in French Retail Banking and +1.5%* in IBFS, whereas the sluggish environment during the quarter adversely affected the gross operating income of GBIS (-15.2%*). If non-economic items and CVA are stripped out, the Group's gross operating income experienced a limited decline of -6.6%*.

The Group's **net cost of risk** amounted to EUR 667 million in Q1 14, down -27.1%* vs. Q1 13 which included EUR -100 million of collective provisions in respect of litigation risk.

The Group's **commercial cost of risk** (expressed as a fraction of outstanding loans) stood at 65(1) basis points in Q1 14, down -24 basis points vs. Q4 13, despite a still challenging economic environment.

- In **French Retail Banking**, it fell significantly to 51 basis points (vs. 74 basis points in Q4 13). The cost of risk declined consistently in both the Societe Generale and Crédit du Nord networks. The decline was significant, especially for business customers.
- At 138 basis points (vs. 201 basis points in Q4 13), **International Retail Banking & Financial Services'** cost of risk showed a marked decline, with mixed trends according to region. In Romania, after the substantial provisioning in Q4 13, the cost of risk declined significantly and started to return to normal. In the Czech Republic, the situation remained satisfactory. In Russia, the increased cost of risk in Q1 14 was focused on individual customers.
- **Global Banking & Investor Solutions'** cost of risk remained low at 18 basis points (vs. -2 basis points in Q4 13), confirming the quality of the loan portfolio.

The Group's gross NPL coverage ratio, excluding legacy assets, amounted to 59% at end-March 2014 (vs. 58% at end-December 2013).

The Group's **operating income** totalled EUR 1,134 million in Q1 14, vs. EUR 83 million in Q1 13. This variation can be explained principally by the impact of the revaluation of the Group's own financial liabilities (EUR -1,045 million in Q1 13), and litigation provisions (EUR -100 million in Q1 13), which had a more negative effect in 2013 than in 2014.

If non-economic items are stripped out, operating income was respectively EUR 1,287 million in Q1 14 and EUR 745 million in Q1 13.

French Retail Banking's operating income was up +23.1%*, benefiting from a policy to control operating expenses and a significant decline in the net cost of risk. IBFS also benefited from a significant decline in the net cost of risk, with operating income up +6.2%*, whereas Global Banking & Investor Solutions' operating income was down -13.8%*.

Overall, operating income excluding non-economic items and CVA rose +10.0%*, reflecting the good operating performance of the businesses (especially Retail Banking) and the controlled cost of risk.

(1) Annualised rate, excluding litigation issues and legacy assets in 2013, in respect of assets at the beginning of the period and including operating leases. Cost of risk in Q1 13 of 68 basis points for RBDF, 134 basis points for IBFS and 15 basis points for GBIS.

Net income

After taking into account tax (the Group's effective tax rate was 23.9% in Q1 14 and 22.4% in Q1 13) and the contribution of non-controlling interests, Group net income totalled EUR 315 million in Q1 14 (EUR 364 million in Q1 13). It includes the total write-down (amounting to EUR -525 million) of the goodwill of International Retail Banking & Financial Services' activities in Russia, reducing Group net income excluding non-economic items by EUR 941 million to EUR 416 million, without a negative effect on prudential ratios. The write-down reflects the decline in Rouble/Euro exchange rate parities, the slowdown in the economy and an increase in Russia's risk premium in the current environment. The Group increased its stake in its Rosbank subsidiary during Q1 2014 and remains confident about its medium/long-term prospects in this country.

When corrected for non-economic items (revaluation of own financial liabilities and DVA), Group net income amounted to EUR 416 million in Q1 14 vs. EUR 798 million in Q1 13, which included the positive result of the disposal of the NSGB subsidiary, amounting to EUR +417 million.

The Group's ROE, excluding non-economic items but including the impact of the goodwill write-down, stood at 3.2% for Q1 14 (2.2% in absolute terms).

Earnings per share amounts to EUR 0.30 for Q1 14, after deducting interest payable to holders of deeply subordinated notes and undated subordinated notes[(1)]. Excluding the revaluation of own financial liabilities and DVA, earnings per share amounts to EUR 0.43, after deducting interest payable to holders of deeply subordinated notes and undated subordinated notes[(1)].

[(1)] The interest, net of tax effect, payable to holders of deeply subordinated notes and undated subordinated notes amounts to respectively EUR -84 million and EUR -2 million for Q1 14, without an effect related to capital gains/losses on partial buybacks.

2 - THE GROUP'S FINANCIAL STRUCTURE

Group **shareholders' equity** totalled EUR 51.1 billion(1) at March 31st, 2014 and tangible net asset value per share was EUR 49.75 (corresponding to net asset value per share of EUR 56.61, including EUR 1.12 of unrealised capital gains).

The **consolidated balance sheet** totalled EUR 1,266 billion at March 31st, 2014 (EUR 1,214 billion at December 31st, 2013, an amount adjusted in relation to the published financial statements, after the retrospective implementation of IFRS 10 and 11). The net amount of **customer loans**, including lease financing, was EUR 342 billion (EUR -4 billion vs. December 31st, 2013). At the same time, **customer deposits** amounted to EUR 309 billion (EUR -5 billion vs. December 31st, 2013).

The Group's **funded balance sheet** (see methodology note No. 7) totalled EUR 623 billion at end-March 2014, down EUR -18 billion vs. December 31st, 2013, with a loan/deposit ratio of 104% (stable vs. December 31st, 2013). At end-April 2014, the Group had raised around EUR 9.4 billion, representing approximately 45% of its medium/long-term issuance programme for 2014, at an attractive cost (around 44 basis points above the 6-month mid-swap benchmark index at April 30th, 2014) with an average maturity (excluding subordinated debt) of 5 years. The Group's **liquid asset buffer** (see methodology note No. 7) totalled EUR 160 billion at March 31st, 2014 (vs. EUR 174 billion at December 31st, 2013), covering 136% of short-term financing requirements (including long-term debt arriving at maturity in less than one year).

The Group's **risk-weighted assets** amounted to EUR 345.4 billion at end-March 2014, vs. EUR 342.6 billion at end-December 2013 according to CRR/CRD4 rules. The increase can be explained principally by the application of tougher weightings. Retail Banking accounted for around 60% of the Group's risk-weighted assets at end-March. Global Markets (including legacy assets) accounted for 20% of the total. For the record, legacy assets account for around 1% of the Group's risk-weighted assets and, as such, have been reintegrated (as from January 1st, 2014) in the analyses relating to Global Banking & Investor Solutions.

At March 31st, 2014, the Group's **Common Equity Tier 1 ratio**(2) stood at 10.1%(3). It was 8.7% at March 31st, 2013. The Tier 1 ratio was 11.8% (and 12.1% pro forma for the additional capital issue in April 2014), up +144 basis points vs. Q1 13. The Total Capital ratio amounted to 13.5% at end-March 2014 (13.7% pro forma), up +170 basis points vs. Q1 13.

The **leverage ratio** stood at 3.5% and 3.6% pro forma for the additional capital issue in April 2014(2).

The Group is rated by the rating agencies DBRS (long-term senior rating: AA – low – negative), FitchRatings (A – negative, outlook downgraded from "stable" to "negative" on March 26th, 2014 to anticipate the probable removal of the notch for government support in this agency's rating), Moody's (A2 – stable) and Standard & Poor's (A – negative, rating confirmed on April 29th, 2014).

(1) This figure includes notably (i) EUR 6.6 billion of deeply subordinated notes and (ii) EUR 0.4 billion of undated subordinated notes

(2) All the solvency/leverage ratios published are calculated according to CRR/CRD4 rules, without the benefit of transitional provisions (fully-loaded), unless indicated otherwise. 2013 data pro forma for applicable CRR/CRD4 rules.

(3) The phased-in ratio stood at 10.9% at March 31st, 2014.

3 - FRENCH RETAIL BANKING

In EUR m	**Q1 13**	**Q1 14**	**Change Q1 vs. Q1**
Net banking income	2,070	2,073	+0.1% *+0.0%(1)*
Operating expenses	(1,335)	(1,329)	-0.4%
Gross operating income	735	744	1.2% *+0.9%(1)*
Net cost of risk	(323)	(232)	-28.2%
Operating income	412	512	+24.2%
Group net income	267	323	+20.8%

(1) Excluding PEL/CEL

Despite a challenging macro-economic environment, **French Retail Banking** delivered a resilient commercial performance in Q1 14, again demonstrating the robustness of its franchise.

Outstanding balance sheet deposits rose +7.1% vs. Q1 13 to EUR 159.8 billion. By customer segment, deposit inflow was driven by the sharp rise in the business segment (+14.4%), and remained dynamic in the individual segment (+3.1%). By type of savings vehicle, the growth in deposits was driven by the inflow on term deposits and certificates of deposit (+14.8%). PEL (home ownership savings plan) outstandings were also sharply higher (+9.4%).

French Retail Banking remained fully committed to serving its customers and continued to actively support the economy, assisting both businesses and individuals with the financing of their projects. However, against a backdrop of economic uncertainty, financing demand remained weak, as testified by the decline in outstanding loans (-2.5% vs. Q1 13) to EUR 176.0 billion. Outstanding loans totalled EUR 78.6 billion for commercial and business customers and EUR 96.3 billion for individuals.

After the inclusion of Franfinance, the average loan/deposit ratio stood at 110% in Q1 14 vs. 121% for the same period in the previous year. Accordingly, the ratio improved by -11 points vs. Q1 13 and by -2 points vs. the previous quarter.

French Retail Banking revenues proved resilient, with net banking income of EUR 2,073 million, stable vs. Q1 13. The interest margin was slightly higher (+0.1%), excluding the PEL/CEL effect, than in Q1 13.

Operating expenses were down -0.4% vs. Q1 13, reflecting the effect of the cost-saving plans implemented.

French Retail Banking generated gross operating income of EUR 744 million, up +0.9% (excluding PEL/CEL effect) vs. Q1 13.

French Retail Banking's cost of risk was significantly lower at 51 basis points in Q1 14. It was 23 points lower than in the previous quarter.

French Retail Banking's contribution to Group net income totalled EUR 323 million, up +20.8% vs. Q1 13.

4 - INTERNATIONAL RETAIL BANKING & FINANCIAL SERVICES

The division's contribution to Group net income was a loss of EUR -284 million in Q1 14, including the goodwill write-down on Russian activities (EUR -525 million) due to the devaluation of the rouble, growing uncertainty and lagging performances in conjunction with the economic slowdown. When restated for this factor, the division's contribution to Group net income was EUR 241 million, up +8.4%* vs. Q1 13. The increase can be explained by higher revenues (+2.4%* vs. Q1 13 at EUR 1,818 million) coupled with costs that remained under control (+3.0%*) thanks to a decline in payroll costs. Accordingly, gross operating income totalled EUR 761 million, up +1.5%* over the same period. The cost of risk was -2.8%* lower in Q1 14 than in Q1 13, on the back of a reduction in Europe and especially Romania.

The financial results include in particular the following structure effects: the disposal of the Egyptian subsidiary NSGB in March 2013, and the increase in the Group's stake in its Russian subsidiary Rosbank to 92.4% in December 2013.

In EUR m	**Q1 13**	**Q1 14**	**Change Q1 vs. Q1**
Net banking income	1,932	1,818	-5.9%
*On a like-for-like basis**			*+2.4%*
Operating expenses	(1,113)	(1,057)	-5.0%
*On a like-for-like basis**			*+3.0%*
Gross operating income	819	761	-7.1%
*On a like-for-like basis**			*+1.5%*
Net cost of risk	(406)	(378)	-7.0%
Operating income	413	383	-7.3%
*On a like-for-like basis**			*+6.2%*
Impairment losses on goodwill	0	(525)	NM
Group net income	256	(284)	NM

4.1 International Retail Banking

The commercial performance in Q1 14 continued in the same vein as in 2013: International Retail Banking's outstanding loans rose slightly (+0.7%*) vs. Q1 13 to EUR 78.3 billion while deposit growth remained strong in all the regions where the Group operates (+8.9%* at EUR 69.0 billion).

The increase in outstanding loans reflects mixed trends: while growth was buoyant in Russia, the Czech Republic, Germany and Africa, outstandings were lower in Romania and other countries in Continental Europe.

International Retail Banking posted revenues of EUR 1,332 million (+0.4%*), gross operating income of EUR 527 million (-3.6%*) and a contribution to Group net income of EUR 83 million (-15.4%*) in Q1 14, before the goodwill write-down on Russian activities.

In Western Europe, where the Group has operations in France, Germany and Italy, essentially in consumer finance, outstanding loans were stable at EUR 13.6 billion. Outstandings rose +10.3%* in Germany vs. Q1 13, but declined -5.7%* in France. The region posted revenues of EUR 162 million, gross operating income of EUR 75 million and a contribution to Group net income of EUR 10 million in Q1 14.

In the Czech Republic, Komercni Banka (KB) delivered a solid commercial performance despite strong competition. Outstanding loans rose +3.0% in Q1 14 vs. Q1 13 (to EUR 17.4 billion), driven by the positive momentum for business customers and the growth in home loans and consumer loans. Over the same period, outstanding deposits remained healthy (+9.7%* at EUR 24.0 billion). Revenues were lower in Q1 14 (-1.8%* vs. Q1 13) at EUR 246 million, due primarily to the decline in deposit margins in 2013. The contribution to Group net income rose +1.7%* to EUR 49 million on the back of the lower cost of risk.

In Romania, despite the improvement in the economic environment, credit demand remained moderate, with companies adopting a “wait-and-see” attitude. This partially explains the decline in BRD’s outstanding loans (-9.8%* to EUR 6.4 billion). In the case of individual customers, demand related to the “Prima Casa” programme (government scheme to subsidise property loans to first-time buyers) held up well. Deposit inflow remained high in Q1 14, with outstandings increasing +7.1%* to EUR 7.8 billion. Against this backdrop of lower loan volumes and margin pressure, BRD’s revenues were down -11.8%* vs. Q1 13 at EUR 130 million and gross operating income came to EUR 52 million. BRD posted net income close to breakeven (EUR -2 million) in Q1 14 on the back of a sharp reduction in the cost of risk.

In the **other European countries,** the Group continued to enjoy strong deposit inflow in Q1 14 (outstandings up +10.0%* at EUR 9.1 billion), whereas outstanding loans fell slightly (-0.9%* to EUR 10.6 billion). Q1 revenues were down -4.8%* vs. Q1 13 (at EUR 153 million) and operating expenses were stable (at EUR 108 million). The contribution to Group net income came to EUR 1 million (vs. a loss of EUR -11 million in Q1 13).

In Russia, Societe Generale announced in April 2014 that it had acquired the Interros group’s shareholding (7%) in Rosbank, thus taking its stake in its subsidiary to 99.4%.
The Group maintained a satisfactory commercial momentum in Q1 14: outstanding loans were up +6.2%* vs. end-March 2013 (at EUR 12.5 billion, driven by the increase in the individual customer segment). Outstanding deposits enjoyed robust growth (+12.8%* to EUR 8.6 billion overall) over the same period. Against this backdrop, Rosbank’s loan/deposit ratio continued to improve (104% at end-March 2014 vs.112% in March 2013).
Net banking income rose +8.3%* to EUR 277 million in Q1 14, while costs remained under control (+4.4%*). Overall and on the back of the increase in the cost of risk, the contribution to Group net income was at breakeven before goodwill write-down of EUR -525 million.
All in all, the SG Russia[1] operation made a EUR 7 million contribution to Group net income in Q1 14 before goodwill write-down.

In the other regions where the Group operates, at end-March 2014, outstanding loans rose in Sub-Saharan Africa (+5.8%* vs. end-March 2013) and the Mediterranean Basin (+2.2%*), and totalled EUR 17.8 billion (+0.7%* vs. end-March 2013). Over the same period, outstanding deposits grew +6.7%*. At EUR 364 million, revenues increased +2.7%* vs. Q1 13, with controlled costs (+3.2%*). The contribution to Group net income totalled EUR 24 million (+2.8%*) vs. EUR 43 million in Q1 13, which included the contribution of the NSGB subsidiary in Egypt.

4.2 Insurance

The **Insurance** business enjoyed a healthy commercial momentum in Q1 14.

In life insurance savings, the Group experienced a good level of net inflow in Q1 14 (EUR +0.9 billion with a 2-point increase in the unit-linked component in Q1 14 to 12%). Outstandings rose +5.4%* vs. end-March 2013.

Personal Protection insurance continued to enjoy robust growth in France, driven primarily by payment protection insurance and health insurance. Property/Casualty insurance premiums were up +4.2% vs. Q1 13.

Net banking income rose +6.1%* vs. Q1 13 to EUR 192 million. The Insurance business’ contribution to Group net income increased +4.2%* to EUR 81 million in Q1 14.

[1] SG Russia’s result: contribution of Rosbank, Delta Credit Bank, Rusfinance Bank, Societe Generale Insurance, ALD automotive and their consolidated subsidiaries to the businesses’ results.

4.3 Financial Services to Corporates

Financial Services to Corporates continued to enjoy a strong momentum in Q1 14, with earnings up +29.5%* vs. Q1 13, representing a contribution to Group net income of EUR 100 million.

At end-March 2014, **Operational Vehicle Leasing and Fleet Management** posted very strong growth (+9%[(1)] vs. end-March 2013) in its fleet, which exceeded one million vehicles. This performance was underpinned by the successful development of its partnerships with car manufacturers and retail banking networks with, in particular in Q1 14, the signing of an agreement with BBVA. Accordingly, the business strengthened its leadership position both at European level and globally.

At end-March 2014, **Equipment Finance** posted a good level of new business, up +16% vs. Q1 13 (at constant exchange rates). It was particularly healthy in Germany, Italy and the United States. New business margins remained at a high level thanks to a selective origination policy. At end-March 2014, outstanding loans totalled EUR 15.1 billion (excluding factoring), down -2.6%* vs. end-March 2013.

In Q1 14, Financial Services to Corporates' revenues amounted to EUR 334 million, substantially higher than in Q1 13 (+13.9%*). Operating expenses remained under control at EUR 172 million (+4.9%*). Gross operating income rose +25.3%* to EUR 162 million. Over the same period, the net cost of risk was down -11.5%* at EUR 21 million. As a result, the contribution to Group net income increased +29.5%* to EUR 100 million in Q1 14 (vs. EUR 78 million in Q1 13).

[(1)] At constant structure

5 - GLOBAL BANKING & INVESTOR SOLUTIONS

The Global Banking & Investor Solutions division encompasses the following business lines:

(i) **Corporate and Investment Banking**,
(ii) **Asset and Wealth Management** (Amundi, Lyxor and SG Private Banking)
(iii) **Securities Services** (Societe Generale Securities & Services) **and Brokerage** (Newedge)

In EUR m	**Q1 13**	**Q1 14**	**ChangeQ1 vs. Q1**
Net banking income	2,266	2,127	-6.1%
*On a like-for-like basis**			*-4.7%*
Operating expenses	(1,469)	(1,465)	-0.3%
*On a like-for-like basis**			*+1.0%*
Gross operating income	797	662	-17.0%
*On a like-for-like basis**			*-15.2%*
Net cost of risk	(71)	(54)	-23.8%
Operating income	726	608	-16.3%
*On a like-for-like basis**			*-13.8%*
Group net income	567	481	-15.2%

Global Banking & Investor Solutions' revenues were -4.7%* lower than in Q1 13 (at EUR 2,127 million). Operating expenses were slightly higher (+1.0%* over the same period) at EUR -1,465 million and gross operating income was down -15.2%*.
With a limited net cost of risk of EUR -54 million, the division's contribution to Group net income totalled EUR 481 million (vs. EUR 567 million in Q1 13) resulting in a ROE of 15%.

5.1 Corporate and Investment Banking

Corporate and Investment Banking generated revenues of EUR 1,698 million in Q1 14 (down -6.8%* vs. Q1 13), the result of good client-driven earnings in an uncertain environment.

Operating expenses were stable (-0.2%* year-on-year) and amounted to EUR -1,103 million in Q1 14, despite continued selective investments in Corporate and Investment Banking's core businesses.

The **net cost of risk** remained low at EUR -53 million, down -28.7%* year-on-year.

SG CIB's contribution to **Group net income** totalled EUR 409 million, vs. EUR 486 million in Q1 13.

Global Markets

Global Markets posted revenues down -7.9%* at EUR 1,243 million in Q1 14. The business' contribution to Group net income amounted to EUR 316 million in Q1 14.

- At EUR 688 million, **Equity** activities' revenues were up +9.3% vs. Q1 13 against the backdrop of a positive market momentum favourable to cash and flow activities, particularly in Europe. SG CIB maintained its leadership position in equity derivatives, with a market share of 12.0% in warrants. Structured products continued to turn in a strong commercial performance in Q1 14. SG CIB again distinguished itself, winning numerous awards including the coveted award of "Best House in Europe for Structured retail products" by *StructuredRetailProducts.com, February 2014* - and was again ranked No. 1 "All Categories" in the *AsiaRisk interdealer rankings 2014 (March 2014).*

- At EUR 556 million, **Fixed Income, Currencies & Commodities** posted revenues down -25.3% vs. Q1 13 which represented a high comparison base, in a challenging market environment for rate activities which were hit by low volumes, tighter margins and continued macroeconomic uncertainty, both for flow and structured products. Client-driven activity remained buoyant for credit, which benefited from strong primary business in Europe, interest from US corporate clients and the expansion of flow activities in Asia. Emerging market activities posted resilient earnings, on the back of increased client-driven activity in Asia and despite a lacklustre performance in Eastern Europe. Forex products held up well. SG CIB was also named “No. 1 Best Overall Institution - Europe”, No. 1 “Commodity Dealer” and No. 1 “Energy, Base Metals & Coal Overall” in commodities by *Energy Risk (February 2014)*.

Financing & Advisory

At EUR 455 million, **Financing & Advisory** revenues were down -3.8%* vs. Q1 13. The business’ results were driven by the good performance of bond and equity issuance as testified by the IFR rankings (No. 2 in euro bonds, No. 1 in euro corporate bonds and No. 1 in EMEA equity and equity related issuances). Revenues for leveraged finance and acquisition finance were lower due to a selective approach in an aggressive market. The good results generated by natural resources financing also helped drive the business’ revenues, whereas structured financing’s results were in line with Q1 13.

SG CIB continued to participate in a number of emblematic transactions with major European clients in Q1 14. These included, in particular, EDF**,** which reopened the hybrid market in 2014 with a record issue of around USD 10 billion via 5 senior USD tranches and 4 hybrid tranches in three currencies (EUR, USD and GBP). The transaction includes notably a USD tranche with a 100-year maturity, which currently represents the largest century bond ever issued by a European corporate. SG CIB also acted as joint bookrunner for a convertible bond issue enabling Fresenius to raise EUR 500 million to finalise the financing for the acquisition of hospitals. SG CIB acted as Mandated Lead Arranger, Lender and Hedge Provider for a non-recourse mortgage loan refinancing a real estate portfolio of office properties owned by dedicated subsidiaries of Prime Office AG. SG CIB was also mandated by Liberty Global, the largest cable operator outside the US, to act as a Mandated Lead Arranger, Underwriter and Co-Dealer Bookrunner of the EUR 5.3 billion financing facilities to support the acquisition of Ziggo, the largest cable operator in the Netherlands.

5.2 Asset and Wealth Management

The revenues of the **Asset and Wealth Management** business line totalled EUR 261 million, up +2.6%* year-on-year. At EUR -204 million, operating expenses were up +3.5%*. The cost to income ratio was stable vs. Q1 13, at 78%.

The contribution to Group net income amounted to EUR 68 million in Q1 14, down -4.8%* vs. a Q1 13 which included a EUR 4 million risk provision write-back.

Private Banking

Private Banking posted good client-driven earnings in Q1 14, with an increase in the gross margin to 107 basis points[(1)]. Revenues were up +5.0%* vs. Q1 13 (at EUR 207 million), driven primarily by the activities in France and the United Kingdom.

At EUR 114 billion at end-March, assets under management benefited from an excellent level of inflow of EUR +1.2 billion in Q1 14, with a positive inflow for all European operations, particularly in France and the United Kingdom. Moreover, the review of rules for the classification of assets under management resulted in the reclassification of EUR 7.4 billion of these assets in the “assets under administration” category. Finally, following the launch of the new private banking model in France, EUR 35 billion were included in Private Banking’s assets under management.

Moreover, as part of the refocusing of its activities on its European platforms, on March 17th, 2014, Societe Generale signed a sale agreement with DBS concerning its private banking activities in Asia, managed

[(1)] Assets under management of Private Banking in France included for one-third, in line with the sharing of revenues between RBDF and GBIS from Singapore and Hong Kong and representing USD 12.6 billion of assets under management at end-December 2013.

Private Banking provided further confirmation of its expertise by being voted “Best Private Bank in Western Europe for Structured Products” for the 10th year running, by *Euromoney* magazine *(February 2014).*

Lyxor and Amundi

Lyxor recorded an increase in assets under management of EUR +4 billion in Q1 14, to EUR 84 billion**.** This was driven by a EUR +2.6 billion net inflow, which was particularly buoyant on ETFs, and a positive performance effect of EUR +1.0 billion. Lyxor’s revenues were down -3.4%* at EUR 48 million, representing a decline in the gross margin to 24 basis points vs. 28 basis points in Q1 13.

Amundi’s contribution to Group net income came to EUR 25 million in Q1 14 vs. EUR 26 million in Q1 13.

5.3 Securities Services and Brokerage

The business line’s contribution to Group net income amounted to EUR 4 million vs. EUR 5 million in Q1 13 while transformation plans and plans to increase competitiveness continued.

Securities Services

Assets under custody increased +2.9% to EUR 3,649 billion vs. end-December 2013. Assets under administration rose +3.0% over the same period to EUR 509 billion.

Revenues and operating expenses increased by respectively +4.5%* and +5.8%* in Q1 14.

SG Securities & Services’ brokerage and custody activities were also named No. 1 in Croatia, Romania, Russia and Serbia, No. 2 in Poland, Spain, the Czech Republic and Serbia by *Global Investor/ISF* magazine *(March 2014).*

Brokerage

Newedge’s **Brokerage** activity is currently being restructured. It was close to breakeven, with a contribution to Group net income of EUR -3 million.

6 - CORPORATE CENTRE

In EUR m	**Q1 13**	**Q1 14**	**Change Q1 vs. Q1**
Net banking income	(1,287)	(342)	+73.4%
*On a like-for-like basis**			*+73.8%*
Operating expenses	(55)	(24)	-56.0%
*On a like-for-like basis**			*-56.3%*
Gross operating income	(1,342)	(366)	+72.7%
*On a like-for-like basis**			*+73.1%*
Net cost of risk	(127)	(3)	-97.6%
Operating income	(692)	(182)	+73.8%
*On a like-for-like basis**			*+74.2%*
Group net income	(727)	(205)	+71.9%

The Corporate Centre includes:

- the Group's property portfolio,

- the banking and industrial equity portfolio,

- the Treasury function for the Group, certain costs related to cross-functional projects and certain costs incurred by the Group and not reinvoiced.

The **Corporate Centre's** revenues totalled EUR -342 million in Q1 14 (vs. EUR -1,287 million in Q1 13). They include in particular the revaluation of the Group's own financial liabilities amounting to EUR -158 million (vs. a total impact in Q1 13 of EUR -1,045 million).

Operating expenses amounted to EUR -24 million vs. EUR -55 million in Q1 13.

Gross operating income came to EUR -366 million in Q1 14. When restated for the revaluation of own financial liabilities (see methodology note No. 8), it amounted to EUR -208 million (vs. EUR -297 million in Q1 13) and can be explained principally by the additional financing cost for the surplus liquidity currently held by the Group. This is borne by the Corporate Centre which provides the Group's Treasury function.

The net cost of risk amounted to EUR -3 million in Q1 14, vs. EUR -127 million in Q1 13, which included an additional collective provision for litigation issues amounting to EUR -100 million.

The Corporate Centre posted no net gain on other assets in Q1 14, vs. EUR +441 million in Q1 13 (in respect of the disposal of NSGB and an adjustment on the disposal of TCW).

The Corporate Centre's contribution to Group net income was a loss of EUR -205 million in Q1 14, vs. EUR -727 million in Q1 13. When restated for the revaluation of own financial liabilities (see methodology note No. 8), it amounted to EUR -101 million (vs. EUR -42 million in Q1 13).

7 - CONCLUSION

During Q1 2014, Societe Generale continued with its transformation strategy and demonstrated the robustness of its customer-focused banking model. A good commercial performance, combined with rigorous discipline in controlling operating expenses and a decline in the net cost of risk, resulted in sharply higher operating income. The Group continued to reinforce the structure of its balance sheet and its prudential ratios, with a Common Equity Tier 1 ratio of 10.1% at end-March 2014. The Group will present its medium-term outlook on May 13th, during a day dedicated to the presentation of its strategy and financial objectives.

8 - 2014 FINANCIAL CALENDAR

2014 financial communication calendar

May 13th, 2014	Investor Day
May 20th, 2014	Annual General Meeting
May 27th, 2014	Detachment of the dividend[1]
May 30th, 2014	Payment of the dividend[1]
August 1st, 2014	Publication of second quarter 2014 results
November 6th, 2014	Publication of third quarter 2014 results

[1] *subject to approval by the Annual General Meeting on May 20th, 2014*

9 - APPENDIX 1: FINANCIAL DATA: *2013 data adjusted following the retrospective implementation of IFRS 10 and 11 on January 1st, 2014*

CONSOLIDATED INCOME STATEMENT (in EUR millions)	Q1 13	Q1 14	Change Q1 vs. Q1	
Net banking income	4,981	5,676	+14.0%	+18.8%*
Operating expenses	(3,971)	(3,875)	-2.4%	+0.2%*
Gross operating income	**1,010**	**1,801**	**+78.3%**	**+97.6%***
Net cost of risk	(927)	(667)	-28.0%	-27.1%*
Operating income	**83**	**1,134**	**x13.7**	**n/s**
Net profits or losses from other assets	448	(2)	NM	
Net income from companies accounted for by the equity method	50	53	+6.0%	
Impairment losses on goodwill	0	(525)	NM	
Income tax	(119)	(271)	x2.3	
Net income	**462**	**389**	**-15.7%**	
O.w. non controlling interests	98	74	-24.5%	
Group net income	**364**	**315**	**-13.3%**	**+2.9%***

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

NET INCOME AFTER TAX BY CORE BUSINESS (in EUR millions)	Q1 13	Q1 14	Change Q1 vs. Q1
French retail Banking	**267**	**323**	**20.8%**
International Retail Banking & Financial Services	**256**	**(284)**	**NM**
Global Banking and Investor Solutions	**567**	**481**	**-15.2%**
CORE BUSINESSES	**1,090**	**520**	**-52.3%**
Corporate Centre	**(727)**	**(205)**	**+71.9%**
GROUP	**364**	**315**	**-13.3%**

CONSOLIDATED BALANCE SHEET

Assets (in billions of euros)	March 31, 2014	December 31, 2013	% change
Cash, due from central banks	60.8	66.6	-9%
Financial assets measured at fair value through profit and loss	544.6	479.1	+14%
Hedging derivatives	12.7	11.5	+11%
Available-for-sale financial assets	132.3	130.2	+2%
Due from banks	75.3	75.4	-0%
Customer loans	318.6	332.7	-4%
Lease financing and similar agreements	27.3	27.7	-1%
Revaluation differences on portfolios hedged against interest rate risk	3.2	3.0	+4%
Held-to-maturity financial assets	4.1	1.0	x 4.1
Tax assets	7.2	7.3	-1%
Other assets	52.7	54.1	-3%
Non-current assets held for sale	1.9	0.1	x 16.3
Investments in subsidiaries and affiliates accounted for by equity method	3.1	2.8	+10%
Tangible and intangible fixed assets	17.6	17.6	-0%
Goodwill	4.4	5.0	-12%
Total	**1,265.8**	1,214.2	4%

Liabilities (in billions of euros)	March 31, 2014	December 31, 2013	% change
Due to central banks	9.0	3.6	x 2.5
Financial liabilities measured at fair value through profit and loss	492.2	425.8	+16%
Hedging derivatives	9.4	9.8	-4%
Due to banks	76.9	86.8	-11%
Customer deposits	315.8	334.2	-6%
Securitised debt payables	138.5	138.4	+0%
Revaluation differences on portfolios hedged against interest rate risk	5.1	3.7	+37%
Tax liabilities	1.9	1.6	+15%
Other liabilities	53.7	53.5	+0%
Non-current liabilities held for sale	3.2	0.0	NM
Underwriting reserves of insurance companies	94.6	91.5	+3%
Provisions	3.5	3.8	-8%
Subordinated debt	7.9	7.5	+5%
Shareholders' equity	51.1	50.9	+0%
Non controlling Interests	3.0	3.1	-4%
Total	**1,265.8**	**1,214.2**	4%

10 - APPENDIX 2: METHODOLOGY

1- The Group's consolidated results as at March 31st, 2014 were examined by the Board of Directors on May 6th, 2014.

The financial information presented in respect of Q1 2014 has been prepared in accordance with IFRS as adopted in the European Union and applicable at that date. This financial information does not constitute a set of financial statements for an interim period as defined by IAS 34 "Interim Financial Reporting" and has not been audited. Societe Generale's management intends to publish summarised interim consolidated financial statements for the six-month period ended June 30th, 2014.

Note that the data for the 2013 financial year have been restated due to the implementation of IFRS 10 and 11, resulting in the publication of adjusted data for the previous financial year. Similarly, these data will be published according to IAS 34 for the interim period from January 1st, 2014 to June 30th, 2014. As such, they have not been audited at March 31st, 2014.

For financial communication purposes, data relating to the subsidiary Lyxor were reclassified in 2013 within the Global Banking & Investor Solutions division in Asset and Wealth Management, this change only actually taking effect at the beginning of 2014.

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 ("restated"), and deducting (iv) interest payable to holders of deeply subordinated notes and of the restated, undated subordinated notes. The net income used to calculate ROE is based on Group net income excluding interest, net of tax impact, to be paid to holders of deeply subordinated notes for the period and, since 2006, holders of deeply subordinated notes and restated, undated subordinated notes (EUR 84 million for 2014).
As from January 1st, 2014, the allocation of capital to the different businesses is based on 10% of risk-weighted assets at the beginning of the period, vs. 9% previously. The published quarterly data related to allocated capital have been adjusted accordingly. At the same time, the normative capital remuneration rate has been adjusted for a neutral combined effect on the businesses' historic revenues.

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 capital gains/losses recorded on partial buybacks (i.e. a EUR 6 million capital gain in Q1 14), interest, net of tax impact, to be paid to holders of:

(i) deeply subordinated notes (EUR -84 million in respect of Q1 14),
(ii) undated subordinated notes recognised as shareholders' equity (EUR -2 million in respect of Q1 14).

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 own shares and 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 6.6 billion), undated subordinated notes previously recognised as debt (EUR 0.4 billion) and (ii) interest payable 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. **Tangible net assets** are corrected for net goodwill in the assets and goodwill under the equity method. In order to calculate Net Asset Value Per Share or Tangible Net Asset Value Per Share, the number of shares used to calculate book value per share is the number of shares issued at March 31st, 2014, excluding own shares and treasury shares but including (a) trading shares held by the Group and (b) shares held under the liquidity contract.

5- The Societe Generale Group's **Common Equity Tier 1 capital** is calculated in accordance with applicable CRR/CRD4 rules.

6- The Group's **ROTE** is calculated on the basis of tangible capital, i.e. excluding cumulative average book capital (Group share), average net goodwill in the assets and underlying average goodwill relating to shareholdings in companies accounted for by the equity method. The net income used to calculate ROTE is based on Group net income excluding interest, interest net of tax on deeply subordinated notes for the period (including issuance fees paid, for the period, to external parties and the discount charge related to the issue premium for deeply subordinated notes) and interest net of tax on undated subordinated notes recognised as shareholders' equity for the current period (including issuance fees paid, for the period, to external parties and the discount charge related to the issue premium for undated subordinated notes).

7- Funded balance sheet, loan/deposit ratio, liquidity reserve

The **funded balance** sheet gives a representation of the Group's balance sheet excluding the contribution of insurance subsidiaries and after netting derivatives, repurchase agreements and accruals.

The funded balance sheet at December 31st, 2013 has been adjusted retrospectively to take account of the implementation of IFRS 10 and 11.

At March 31st, 2014, the IFRS balance sheet excluding the assets and liabilities of insurance subsidiaries, after netting repurchase agreements and securities lending/borrowing, derivatives and accruals, has been restated to include:

a) the reclassification under customer deposits of SG Euro CT outstandings (included in customer repurchase agreements), as well as the share of issues placed by French Retail Banking networks (recorded in medium/long-term financing), and certain transactions carried out with counterparties equivalent to customer deposits (previously included in short-term financing). However, certain transactions equivalent to market resources are deducted from customer deposits and reintegrated in short-term financing. The net amount of transfers from

- medium/long-term financing to customer deposits amounted to EUR 7bn at December 31st, 2013 and EUR 10bn at March 31st, 2014
- short-term financing to customer deposits amounted to EUR 11bn at December 31st, 2013 and EUR 10bn at March 31st, 2014
- repurchase agreements to customer deposits amounted to EUR 3bn at December 31st, 2013 and EUR 2bn at March 31st, 2014

b) The balance of financing transactions has been allocated to medium/long-term resources and short-term resources based on the maturity of outstandings (more or less than one year). The initial maturity of loans has been used for debts represented by a security.

c) In assets, the item "customer loans" includes outstanding loans with customers, net of provisions and write-downs, including net lease financing outstandings and transactions at fair value through profit and loss, and excludes financial assets reclassified under loans and receivables in 2008 in accordance with the conditions stipulated by the amendments to IAS 39. These positions have been reclassified in their original lines.

d) The accounting item "due to central banks" in liabilities has been offset against the item "net central bank deposits" in assets.

Old presentation (data published in 2013):

In EUR bn	ASSETS	LIABILITIES	
	DEC. 13	DEC. 13	
Net Central bank deposits	63	100	Short term ressources
Interbank loans	45	9	Other
Client related trading assets	85	140	Medium/Long term ressources
Securities	59	*24*	*o.w. LT debt with a remaining maturity below 1 year***
Customer loans	354	340	Customer deposits
Long term assets	35	52	Equity
Total assets	641	641	Total liabilities

** Management information

2013 pro forma following the implementation of the new IFRS 10 and 11 standards:

In EUR bn	ASSETS	LIABILITIES	
	DEC. 13	DEC. 13	
Net Central bank deposits	63	96	Short term ressources
Interbank loans	31	1	Other
Client related trading assets	80	138	Medium/Long term ressources
Securities	59	*24*	*o.w. LT debt with a remaining maturity below 1 year***
Customer loans	357	338	Customer deposits
Long term assets	35	52	Equity
Total assets	625	625	Total liabilities

** Management information

At March 31st, 2014, the funded balance sheet was as follows:

In EUR bn	ASSETS	LIABILITIES	
	MAR 14	MAR 14	
Net Central bank deposits	58	94	Short term ressources
Interbank loans	33		
Client related trading assets	81	3	Other
Securities	60	133	Medium/Long term ressources
Customer loans	356	341	Customer deposits
Long term assets	35	52	Equity
Total assets	623	623	Total liabilities

The Group's **loan/deposit ratio** is calculated as the ratio between customer loans and customer deposits defined accordingly.

It amounted to 104% at March 31st, 2014 and 106% at December 31st, 2013 pro forma.

The **liquid asset buffer or liquidity reserve** includes

a) central bank cash balances, excluding mandatory reserves
b) liquid assets rapidly tradable in the market (High Quality Liquid Assets or HQLA), unencumbered net of haircuts
c) central bank eligible assets, unencumbered net of haircuts.

The implementation of IFRS 10 and 11 resulted in no variation in the liquidity reserve in respect of 2013. In Q1 14, the liquidity reserve included EUR 53 billion in respect of central bank deposits, EUR 75 billion of HQLA securities and EUR 32 billion of central bank eligible assets (respectively EUR 58 billion, EUR 70 billion and EUR 26 billion in Q1 13 and EUR 60 billion, EUR 78 billion and EUR 35 billion in Q4 13).

8 – Non-economic items and restatements

Non-economic items correspond to the revaluation of own financial liabilities and DVA. Details of these items, and other items that are restated, are given below for Q1 14 and Q1 13.

Q1 14	Net banking income	Operating expenses	Others	Cost of risk	Group net income	
Revaluation of own financial liabilities*	(158)				(104)	Corporate Centre
Accounting impact of DVA*	5				3	Group
Accounting impact of CVA (stock effect)	52				37	Group
Impairment & capital losses			(525)		(525)	International Retail Banking and Financial Services
TOTAL	(101)				(589)	Group

Q1 13	Net banking income	Operating expenses	Others	Cost of risk	Group net income	
Revaluation of own financial liabilities*	(1,045)				(685)	Corporate Centre
Accounting impact of DVA*	383				251	Group
Accounting impact of CVA (stock effect)	(463)				(307)	Group
Capital gain on NSGB disposal			417		377	Corporate Centre
TOTAL	(1,125)				(364)	Group

* Non-economic items

NB (1) The sum of values contained in the tables and analyses may differ slightly from the total reported due to rounding rules.

(2) All the information on the results for the period (notably: press release, downloadable data, presentation slides and supplement) is available on Societe Generale's website www.societegenerale.com in the "Investor" section.

11 - QUARTERLY SERIES

	Q1 13	Q2 13	Q3 13	Q4 13	2013	Q1 14
French retail Banking						
Net banking income	2,070	2,119	2,086	2,161	8,437	2,073
Operating expenses	-1,335	-1,322	-1,316	-1,385	-5,358	-1,329
Gross operating income	*735*	*798*	*770*	*776*	*3,079*	*744*
Net cost of risk	-323	-295	-293	-346	-1,258	-232
Operating income	*412*	*502*	*477*	*430*	*1,821*	*512*
Net income from other assets	-1	0	0	2	2	-5
Net income from companies accounted for by the equity method	8	10	9	11	37	10
Income tax	-148	-181	-171	-156	-656	-193
Net income	*271*	*331*	*314*	*287*	*1,203*	*324*
O.w. non controlling interests	4	1	0	2	7	1
Group net income	*267*	*329*	*314*	*286*	*1,196*	*323*
Average allocated capital	9,649	9,648	9,575	9,626	9,625	10,185

(in millions of euros)	Q1 13	Q2 13	Q3 13	Q4 13	2013	Q1 14
International Retail Banking & Financial Services						
Net banking income	1,932	1,929	1,911	1,990	7,762	1,818
Operating expenses	-1,113	-1,095	-1,065	-1,094	-4,367	-1,057
Gross operating income	*819*	*834*	*845*	*897*	*3,395*	*761*
Net cost of risk	-406	-409	-383	-636	-1,835	-378
Operating income	*413*	*425*	*462*	*260*	*1,560*	*383*
Net income from other assets	3	-1	0	4	6	3
Net income from companies accounted for by the equity method	9	6	6	10	31	8
Impairment losses on goodwill	0	0	0	0	0	-525
Income tax	-113	-116	-128	-81	-438	-106
Net income	*312*	*314*	*340*	*194*	*1,160*	*-237*
O.w. non controlling interests	56	72	58	-9	177	47
Group net income	*256*	*242*	*282*	*203*	*983*	*-284*
Average allocated capital	10,938	10,510	10,380	10,220	10,512	10,141

(in millions of euros)	Q1 13	Q2 13	Q3 13	Q4 13	2013	Q1 14
o.w. International Retail Banking						
Net banking income	1,478	1,450	1,418	1,490	5,836	1,332
Operating expenses	-869	-846	-823	-842	-3,380	-805
Gross operating income	*610*	*604*	*594*	*648*	*2,456*	*527*
Net cost of risk	-377	-378	-356	-629	-1,740	-367
Operating income	*233*	*226*	*239*	*18*	*716*	*160*
Net income from other assets	3	0	0	5	7	3
Net income from companies accounted for by the equity method	3	2	3	2	9	4
Impairment losses on goodwill	0	0	0	0	0	-525
Income tax	-57	-54	-57	-6	-174	-38
Net income	*182*	*174*	*184*	*19*	*558*	*-396*
O.w. non controlling interests	57	65	62	-14	170	47
Group net income	*125*	*108*	*122*	*33*	*388*	*-443*
Average allocated capital	7,118	6,655	6,543	6,420	6,684	6,537
o.w. Corporate Financial Services and Insurance						
Net banking income	479	499	520	543	2,042	526
Operating expenses	-232	-237	-238	-248	-956	-245
Gross operating income	247	262	282	296	1,086	281
Net cost of risk	-24	-25	-28	-26	-103	-21
Operating income	223	237	254	270	983	260
Net income from other assets	0	-1	0	0	-1	0
Net income from companies accounted for by the equity method	6	5	3	10	25	5
Impairment losses on goodwill	0	0	0	0	0	0
Income tax	-71	-75	-81	-84	-311	-82
Net income	158	166	176	196	696	183
O.w. non controlling interests	2	2	2	2	7	2
Group net income	157	164	175	194	689	181
Average allocated capital	3,612	3,639	3,624	3,613	3,622	3,457
o.w. Insurances						
Net banking income	182	185	187	195	750	192
Operating expenses	-67	-69	-71	-72	-280	-73
Gross operating income	116	116	116	123	470	119
Net cost of risk	0	0	0	0	0	0
Operating income	116	116	116	123	470	119
Net income from other assets	0	0	0	0	0	0
Net income from companies accounted for by the equity method	0	0	0	0	0	0
Impairment losses on goodwill	0	0	0	0	0	0
Income tax	-37	-37	-37	-39	-150	-38
Net income	79	79	79	84	320	81
O.w. non controlling interests	0	0	0	1	2	0
Group net income	78	78	78	83	318	81
Average allocated capital	1,455	1,491	1,502	1,517	1,491	1,529
o.w. Financial Services to Corporates						
Net banking income	297	314	332	348	1,292	334
Operating expenses	-166	-168	-167	-175	-676	-172
Gross operating income	131	146	166	173	616	162
Net cost of risk	-24	-25	-28	-26	-103	-21
Operating income	107	121	138	147	513	141
Net income from other assets	0	-1	0	0	-1	0
Net income from companies accounted for by the equity method	6	5	3	10	25	5
Impairment losses on goodwill	0	0	0	0	0	0
Income tax	-34	-38	-44	-46	-161	-44
Net income	80	87	98	112	376	102
O.w. non controlling interests	1	1	1	1	5	2
Group net income	78	86	96	111	371	100
Average allocated capital	2,157	2,149	2,122	2,096	2,131	1,928
o.w. other						
Net banking income	-26	-20	-27	-43	-116	-40
Operating expenses	-11	-12	-4	-4	-31	-7
Gross operating income	-37	-32	-31	-47	-147	-47
Net cost of risk	-5	-6	1	19	8	10
Operating income	-42	-38	-30	-28	-139	-37
Net income from other assets	0	0	0	0	0	0
Net income from companies accounted for by the equity method	0	-1	0	-2	-3	-1
Impairment losses on goodwill	0	0	0	0	0	0
Income tax	15	13	10	10	48	14
Net income	-28	-26	-20	-21	-94	-24
O.w. non controlling interests	-3	5	-5	3	0	-2
Group net income	-25	-30	-15	-24	-94	-22
Average allocated capital	208	215	214	187	206	146

	(in millions of euros)	Q1 13	Q2 13	Q3 13	Q4 13	2013	Q1 14
Global Banking and Investor Solutions							
	Net banking income	2,266	2,093	2,076	1,947	8,382	2,127
	Operating expenses	-1,469	-1,352	-1,421	-1,831	-6,073	-1,465
	Gross operating income	*797*	*741*	*655*	*115*	*2,308*	*662*
	Net cost of risk	-71	-185	-230	-60	-546	-54
	Operating income	*726*	*556*	*425*	*55*	*1,762*	*608*
	Net income from other assets	5	0	0	-1	4	0
	Net income from companies	29	29	20	-110	-32	25
	Impairment losses on goodwill	0	0	0	-50	-50	0
	Income tax	-189	-124	-74	-76	-462	-149
	Net income	*571*	*461*	*371*	*-181*	*1,222*	*484*
	O.w. non controlling interests	4	5	4	3	16	3
	Group net income	*567*	*456*	*366*	*-184*	*1,206*	*481*
	Average allocated capital	15,598	15,797	14,356	13,214	14,742	12,440
o.w. Global Markets							
	Net banking income	1,373	1,241	1,200	1,055	4,868	1,243
	o.w. Equities	629	621	621	646	2,519	556
	o.w. FICC	744	620	578	408	2,350	688
	Operating expenses	-808	-703	-783	-1,081	-3,374	-799
	Gross operating income	565	539	417	-27	1,494	444
	Net cost of risk	-31	-133	-151	-65	-381	-10
	Operating income	534	405	266	-92	1,113	434
	Net income from other assets	0	0	0	0	0	1
	Net income from companies	0	0	0	1	1	0
	Impairment losses on goodwill	0	0	0	0	0	0
	Income tax	-153	-104	-55	-90	-401	-116
	Net income	381	302	211	-181	713	319
	O.w. non controlling interests	4	3	4	2	13	3
	Group net income	378	298	206	-182	700	316
	Average allocated capital	10,280	10,017	8,717	7,662	9,169	7,149
o.w. Financing and Advisory							
	Net banking income	475	402	443	477	1,797	455
	Operating expenses	-308	-277	-286	-345	-1,216	-304
	Gross operating income	*167*	*125*	*156*	*132*	*581*	*151*
	Net cost of risk	-43	-47	-61	13	-138	-43
	Operating income	*124*	*78*	*96*	*145*	*443*	*108*
	Net income from other assets	3	0	0	0	3	0
	Net income from companies	0	0	0	0	0	0
	Impairment losses on goodwill	0	0	0	0	0	0
	Income tax	-19	-1	-4	10	-14	-14
	Net income	*109*	*77*	*92*	*155*	*432*	*94*
	O.w. non controlling interests	0	1	0	1	2	1
	Group net income	*109*	*76*	*92*	*154*	*430*	*93*
	Average allocated capital	3,460	3,531	3,435	3,272	3,425	3,480
o.w. Asset & Wealth Management							
	Net banking income	264	272	281	255	1,072	261
	o.w. Lyxor	*50*	*38*	*47*	*52*	*186*	*48*
	o.w. Private banking	*205*	*231*	*227*	*195*	*858*	*207*
	o.w. other	*8*	*4*	*7*	*8*	*28*	*6*
	Operating expenses	-206	-217	-201	-218	-842	-204
	Gross operating income	*58*	*55*	*79*	*38*	*230*	*57*
	Net cost of risk	4	-5	-19	-7	-27	-1
	Operating income	*62*	*50*	*61*	*30*	*203*	*56*
	Net income from other assets	0	0	0	0	0	0
	Net income from companies	28	30	23	33	114	27
	Impairment losses on goodwill	0	0	0	0	0	0
	Income tax	-14	-11	-14	-8	-47	-14
	Net income	*76*	*69*	*70*	*56*	*271*	*69*
	O.w. non controlling interests	0	0	0	0	0	1
	Group net income	*76*	*69*	*70*	*56*	*271*	*68*
	Average allocated capital	1,023	1,005	1,006	1,004	1,009	1,029
o.w. Securities Services and Brokerage							
	Net banking income	155	177	153	159	644	168
	Operating expenses	-148	-155	-151	-187	-641	-158
	Gross operating income	*7*	*22*	*2*	*-28*	*3*	*10*
	Net cost of risk	-1	0	0	0	0	0
	Operating income	*6*	*23*	*2*	*-28*	*3*	*10*
	Net income from other assets	1	0	0	0	1	-1
	Net income from companies	0	-1	-3	-144	-148	-2
	Impairment losses on goodwill	0	0	0	-50	-50	0
	Income tax	-3	-8	-1	11	0	-5
	Net income	*5*	*13*	*-2*	*-211*	*-194*	*2*
	O.w. non controlling interests	0	0	0	0	1	-2
	Group net income	*5*	*13*	*-2*	*-211*	*-195*	*4*
	Average allocated capital	836	1,244	1,199	1,275	1,139	781

(in millions of euros)	Q1 13	Q2 13	Q3 13	Q4 13	2013	Q1 14
Corporate Centre						
Net banking income	-1,287	-21	-437	-402	-2,147	-342
o.w. financial liabilities	-1,045	53	-223	-379	-1,594	-158
Operating expenses	-55	-44	-55	-95	-249	-24
Gross operating income	-1,342	-65	-492	-497	-2,396	-366
Net cost of risk	-127	-96	-186	-2	-411	-3
Operating income	-1,469	-161	-679	-499	-2,807	-369
Net income from other assets	441	1	-7	128	563	0
Net income from companies accounted for by the equity method	4	2	10	9	26	10
Impairment losses on goodwill	0	0	0	0	0	0
Income tax	331	123	280	294	1,028	177
Net income	-692	-36	-395	-68	-1,191	-182
O.w. non controlling interests	34	38	33	45	150	23
Group net income	-727	-73	-428	-113	-1,341	-205
Group						
Net banking income	4,981	6,120	5,636	5,696	22,433	5,676
Operating expenses	-3,971	-3,813	-3,858	-4,405	-16,047	-3,875
Gross operating income	*1,010*	*2,307*	*1,778*	*1,291*	*6,386*	*1,801*
Net cost of risk	-927	-985	-1,093	-1,045	-4,050	-667
Operating income	*83*	*1,322*	*685*	*246*	*2,336*	*1,134*
Net income from other assets	448	0	-7	134	575	-2
Net income from companies accounted for by the equity method	50	46	45	-80	61	53
Impairment losses on goodwill	0	0	0	-50	-50	-525
Income tax	-119	-298	-93	-18	-528	-271
Net income	*462*	*1,070*	*630*	*232*	*2,394*	*389*
O.w. non controlling interests	98	115	96	41	350	74
Group net income	*364*	*955*	*534*	*191*	*2,044*	*315*
Average allocated capital	41,298	41,761	42,283	42,375	41,929	42,274
Group ROE (after tax)	2.8%	8.4%	4.3%	2.1%	4.4%	2.2%
C/I ratio (excluding revaluation of own financial liabilities)	66%	63%	66%	73%	67%	66%

Societe Generale

Societe Generale is one of the largest European financial services groups. Based on a diversified universal banking model, the Group combines financial solidity with a strategy of sustainable growth, and aims to be the reference for relationship banking, recognised on its markets, close to clients, chosen for the quality and commitment of its teams.

Societe Generale has been playing a vital role in the economy for 150 years. With more than 148,000 employees, based in 76 countries, it accompanies 32 million clients throughout the world on a daily basis. Societe Generale's teams offer advice and tailor-made financial solutions to individual, corporate and institutional customers in three complementary core businesses:

- **Retail banking in France** with the Societe Generale branch network, Credit du Nord and Boursorama, offering a comprehensive range of multichannel financial services at the leading edge of digital innovation;
- **International retail banking, financial services and insurance** with a presence in emerging economies and leading specialised businesses;
- **Corporate and investment banking, private banking, asset management and securities services**, with recognised expertise, top international rankings and integrated solutions.

Societe Generale is included in the main socially responsible investment indices: Dow Jones Sustainability Index (Europe), FSTE4Good (Global and Europe), Euronext Vigeo (Global, Europe, Eurozone and France), Ethibel's ESI Excellence (Europe) and 5 of the STOXX ESG Leaders indices.

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Societe Generale: 150 years

In 2014, Societe Generale Group celebrates its 150th anniversary with a focus on entrepreneurial spirit, innovation and team spirit. Founded by a group of industrialists and financiers, the bank's very name illustrated their ambition: **"Société Générale pour favoriser le développement du commerce et de l'industrie en France"** *("Societe Generale to support the development of trade and industry in France"*), as written into the Imperial decree signed by Napoleon III on May 4th, 1864.

Societe Generale has always served economic development, contributing to the financing of infrastructures that symbolised the modern world and of leading French groups. Societe Generale was among the first French banks to open branches in London and in Russia in the 1870s, before expanding into the Maghreb, New York and Africa, and to set up operations in Central European countries.

Societe Generale has always been at the cutting edge of financial innovation, and takes strength from its origins to assert its banking vision for the future, reinvent its businesses to serve its clients and become the reference bank of the 21st century.