RESULTS AT MARCH 31ST 2020

Press release

Paris, April 30th 2020

Q1 20 PERFORMANCE

Resilient performance in French Retail Banking and International Retail Banking and Financial Services

Underlying profitability of 10.7%(1) in French Retail Banking

Underlying profitability of 15.4%(1) in International Retail Banking and Financial Services

Global Banking and Investor Solutions penalised heavily by market conditions

Global Markets, mainly investment structured products on equities, impacted by exceptional market dislocations of the end of the quarter due to Covid-19

Satisfactory performance of other businesses

Cost of risk at 65 basis points amid Covid-19 crisis vs. 21 basis points in Q1 19

Decline in the underlying Group operating expenses: -3.6%(1) vs. Q1 19

Reported Group net income at EUR -326m and underlying Group net income at EUR 98m(1)

THE GROUP ENTERS THE CRISIS WITH A ROBUST PROFILE

A solid financial structure and liquidity position

CET1 ratio at 12.6% (12.7% pro forma(2)) at 31st March 2020: nearly 350 basis points above regulatory requirement(3)

LCR ratio at 144% on average in Q1 20 and liquidity buffer at EUR 203bn

Funding programme of which approximately 45% is already completed

Good quality loan portfolio with geography and sector diversification

Goodwill from our advanced digital strategy, facilitating operational management at a time of crisis

2020 OUTLOOK

Confirmation of decrease in Group costs in 2020 and additional cost reduction between EUR 600m and EUR 700m in 2020

Cost of risk outlook expected at around 70 basis points throughout 2020 in a base Covid scenario and around 100 basis points in a scenario of extended shutdown

CET1(4) ratio showing, as of end of 2020, a buffer between 200 and 250 basis points over regulatory requirement, depending on the assumption used for potential exceptional dividend distribution.

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

« In the face of the unprecedented health, economic and social crisis we are experiencing, our Societe Generale teams worldwide have shown determination and unwavering tenacity in a truly exceptional mobilisation and I would like to thank them for this. Based on our strong sense of responsibility, the group's commitment is threefold : firstly, to protect the health of our clients and our employees by applying security measures in all of our sites and activities; secondly, to ensure the continuity of our services as a business of vital importance; and thirdly, to support our staff, clients, suppliers and all our partners during this especially difficult period.
We are tackling this crisis with insight but confident in the soundness of our business model, the agility of our operational model driven by technological and digital advancements and the robustness of our capital and risk profile. Beyond our focused adaptation to the immediate impact of the crisis, we are already working on the designs of our next strategic plan 2021-2025 to take into account the new environment post-crisis. »

---

(1) Underlying data. See methodology note 5 for the transition from accounting data to underlying data.

(2) Pro forma for the announced disposals (+10 basis points) and the integration of EMC (-4 basis points)

(3) 9.05% as of 04.01.2020

(4) Including 2020 dividend accrual

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

1. GROUP CONSOLIDATED RESULTS

In EURm	Q1 20	Q1 19	Change	
Net banking income	**5,170**	**6,191**	***-16.5%***	***-14.9%****
Operating expenses	**(4,678)**	**(4,789)**	**-2.3%**	**-0.7%***
Underlying operating expenses[(1)]	*(4,188)*	*(4,345)*	*-3.6%*	*-1.9%**
Gross operating income	**492**	**1,402**	**-64.9%**	**-63.8%***
Underlying gross operating income[(1)]	*982*	*1,846*	*-46.8%*	*-45.6%**
Net cost of risk	**(820)**	**(264)**	**x 3.1**	**x 3.1**
Operating income	**(328)**	**1,138**	**n/s**	**n/s**
Underlying operating income[(1)]	*162*	*1,582*	*-89.8%*	*-89.4%**
Net profits or losses from other assets	**80**	**(51)**	**n/s**	**n/s**
Underlying net profits or losses from other assets[(1)]	*157*	*2*	*x 78.5*	*x 79**
Income tax	46	(255)	n/s	n/s
Reported Group net income	**(326)**	**686**	**n/s**	**n/s**
Underlying Group net income[(1)]	***98***	***1,065***	***-90.8%***	***-90.4%****
ROE[(2)]	-3.6%	4.2%		
ROTE[(2)]	-4.2%	5.5%		
Underlying ROTE [(1)]	***-0.5%***	***8.4%***		

(1) Adjusted for exceptional items and IFRIC 21 linearisation

As from January 1st 2019, in accordance with the amendment to IAS 12 "Income Tax", the tax saving related to the payment of coupons on undated subordinated and deeply subordinated notes, previously recorded in consolidated reserves, is now recognised in income on the "income tax" line ; comparative data for Q1 19 have been restated.

Societe Generale's Board of Directors, which met on April 29th 2020 by video call under the chairmanship of Lorenzo Bini Smaghi, examined the Societe Generale Group's results for Q1 20.

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

Net banking income

The Group's net banking income was down -16.5% in Q1 20. The business net banking income was down -12.2% (-10.5%*).
Net banking income (excluding PEL/CEL provision) of French Retail Banking was down -1.2% vs. Q1 19, the good commercial dynamic at the beginning of the year being partially offset by the slowdown of the retail activities from mid-March.
International Retail Banking & Financial Services showed revenue growth of +1.6%*, driven by commercial dynamic in International Retail Banking where net banking income was up +2.9%*. Insurance revenues are up +1.8%* adjusted from the contribution to the solidarity fund in France for EUR 6 million (-0.9% ; -0.8%* on reported basis). Slight declines were observed in Financial Services to Corporates (-3.5% ; -0.9%*).
Global Banking & Investor Solutions' net banking income fell -27.3% in an exceptional market environment which strongly penalised Global Markets revenues.

(1) *Adjusted for exceptional items and linearisation of IFRIC 21*
(2) *See methodology note 7 for ROE, ROTE, RONE*

Operating expenses

In Q1 20, underlying operating expenses declined -3.6% vs. Q1 19 at EUR -4,188 million vs Q1 19.

Operating expenses were down -2.4% in French Retail Banking, in a context of strict cost discipline. International Retail Banking & Financial Services' operating expenses were down -4.8% notably due to the disposals executed in 2019 and up +2.6%* when adjusted for changes in Group structure and at constant exchange rates. Adjusted for contributions to Covid-19 funds, International Retail Banking & Financial Services presented an operating leverage with positive jaws again this quarter (retreated net banking income up +1.9%* and retreated costs up +1.5%*).
Global Banking & Investor Solutions operating expenses were down at -2.4% as a result of the continued implementation of the EUR 500 million cost savings plan.

The Group confirms its target to decrease operating expenses for the full year 2020 compared to 2019, excluding exceptional items. Furthermore the Goup will introduce additional cost reduction measures through 2020 for a total amount comprised between EUR 600 million and EUR 700 million net of additional costs related to the management of Covid-19 crisis (operational costs, contributions to solidarity funds, etc).

Cost of risk

The Group's commercial cost of risk amounted to 65 basis points in Q1 20 significantly higher vs. Q1 19 (21 basis points) marked by an increase of provisioning in the context of the Covid-19 crisis and some specific files, including two exceptionnal fraud files.

In a base Covid scenario (decrease of gross domestic product in 2020 of -5.8%, -6.8% and -2.3% respectively in France, Euro zone and Global), the Group expects a cost of risk of circa 70 basis points for 2020. In an scenario of extended shutdown (decrease of gross domestic product in 2020 of -11.1%, -12.8% and -7.8% respectively in France, Euro zone and Global), the Group expects a cost of risk of circa 100 basis points for 2020.

The gross doubtful outstandings ratio amounted to 3.1% at March, 31st 2020 (3.2% at end-December 2019). The Group's gross coverage ratio for doubtful outstandings stood at 55%[1] at March 31st, 2020 stable vs. December 31st, 2019.

Net profits or losses from other assets

Net profits or losses from other assets totalled EUR +80 million in Q1 20, including EUR -77 million corresponding to the application of IFRS 5 as part of the implementation of the Group's refocusing plan and EUR +130 million relating to the Group's property disposal programme.

Group net income

In EURm	Q1 20	Q1 19
Reported Group net income	(326)	686
Underlying Group net income[2]	98	1,065

In %	Q1 20	Q1 19
ROTE (reported)	-4.2%	5.5%
Underlying ROTE[2]	-0.5%	8.4%

Earnings per share is negative and amounts to EUR -0.57 in Q1 20 (EUR 0.65 in Q1-19).

(1) Ratio between the amount of provisions on doubtful outstandings and the amount of these same outstandings.
(2) Adjusted for exceptional items and linearisation of IFRIC 21

2. GROUP FINANCIAL STRUCTURE

Group **shareholders' equity** totalled EUR 62.6 billion at March 31st, 2020 (EUR 63.5 billion at December 31st, 2019). Net asset value per share was EUR 63.9 and tangible net asset value per share was EUR 55.7.

The consolidated balance sheet totalled EUR 1,508 billion at March 31st, 2020 (EUR 1,356 billion at December 31st, 2019). The net amount of customer loan outstandings at March 31st, 2020, including lease financing, was EUR 445 billion (EUR 430 billion at December 31st, 2019) – excluding assets and securities purchased under resale agreements. Customer deposits amounted to EUR 438 billion, vs. EUR 410 billion at December 31st, 2019 (excluding assets and securities sold under repurchase agreements).

At end-March 2020, the parent company had issued EUR 14.4 billion of medium/long-term debt, with an average maturity of 5.7 years and an average spread of 48 basis points (vs. the 6-month mid-swap, excluding subordinated debt). Issuance from subsidiaries totalled EUR 150 million. In total, at March 31st, 2020, the Group had issued EUR 14.5 billion of medium/long-term debt. The LCR (Liquidity Coverage Ratio) well exceeded regulatory requirements at 141% at end-March 2020 vs. 119% at end-December 2019. At the same time, the NSFR (Net Stable Funding Ratio) was over 100% at end-March 2020.

The Group's **risk-weighted assets** (RWA) amounted to EUR 355.0 billion at March 31st, 2020 (vs. EUR 345.0 billion at end-December 2019) according to CRR/CRD4 rules. Risk-weighted assets in respect of credit risk represent 81.0% of the total, at EUR 287.6 billion, up +1.8% vs. December 31st, 2019.

At March 31st, 2020, the Group's **Common Equity Tier 1** ratio stood at 12.6%, 12.7% pro forma[(1)], nearly 350 basis points above the regulatory requirement[(2)]. The Tier 1 ratio stood at 14.9% at end-March 2020 (15.1% at end-December 2019) and the total capital ratio amounted to 18.0% (18.3% at end-December 2019).

As of end of 2020, the Group aims to steer its CET1 between 200 basis points and 250 basis points over regulatory requirement, depending on the assumption used for potential exceptional dividend distribution.

With a level of 28.3% of RWA and 8.0% of leveraged exposure at end-March 2020, the Group's TLAC ratio is already above the FSB's requirements for 2020. At March 31st, 2020, the Group was also above its MREL requirements of 8% of the TLOF[(3)] (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 31st, 2020 (4.3% at December end 2019).

The Group is rated by four financial rating agencies: (i) FitchRatings - long-term rating "A", Rating watch negative, senior preferred debt rating "A+", short-term rating "F1"; (ii) Moody's – long-term rating (senior preferred debt) "A1", stable outlook, short-term rating "P-1"; (iii) R&I - long-term rating (senior preferred debt) "A", stable outlook; and (iv) S&P Global Ratings - long-term rating (senior preferred debt) "A", stable outlook, short-term rating "A-1".

(1) Pro forma for the announced disposals (+10 basis points) and the integration of EMC (-4 basis points)
(2) 9.05% as of 04.01.2020
(3) TLOF: Total Liabilities and Own Funds

3. FRENCH RETAIL BANKING

In EURm	Q1 20	Q1 19	Change
Net banking income	1,880	1,916	*-1.9%*
Net banking income excl. PEL/CEL	*1,905*	*1,928*	*-1.2%*
Operating expenses	(1,450)	(1,486)	-2.4%
Gross operating income	**430**	**430**	***0%***
Gross operating income excl. PEL/CEL	*455*	*442*	*+2.9%*
Net cost of risk	(249)	(94)	x2.6
Operating income	**181**	**336**	***-46.1%***
Net profits or losses from other assets	131	1	*x131*
Reported Group net income	**219**	**234**	***-6.4%***
RONE	**7.8%**	**8.3%**	
Underlying RONE (2)	**10.7%**	**10.4%**	

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

French Retail Banking's financial performance remains resilient this quarter: underlying RONE stood at 10.7% in Q1 20. A good performance in the first two months of the year was offset by the impact of Covid-19 in the second half of March.

With France placed in lockdown since mid-March 2020, French Retail Banking has implemented measures to ensure operational continuity: supporting its customers while ensuring the safety of employees. Around 85% of branches and all back offices remain open, with operational adjustments. The group has benefited from its digital capabilities in both the networks and its online bank Boursorama.

French Retail Banking's three brands, Societe Generale, Crédit du Nord and Boursorama, enjoyed a healthy commercial momentum in Q1 20, in particular in January and February.
Boursorama consolidated its position as the leading online bank in France, with more than 2.3 million clients at end-March 2020.

At the same time, French Retail Banking experienced further expansion in the mass affluent and wealthy client base in Q1 20 (circa +2.2% vs. March 19). Net inflows for wealthy clients remained robust at circa EUR 0.5 billion, taking assets under management to EUR 64.2 billion (including Crédit du Nord) at end-March 2020.

French Retail Banking continued to strengthen its corporate client base, with a stable number of customers.

Bancassurance suffered from the current environment, with net outflows of EUR 0.2 billion in Q1-20. However, outstandings were up +0.6% at EUR 94.3 billion, with the unit-linked share accounting for 25.2%. Personal protection new contracts were up +14% vs Q1 19 reflecting a good dynamism. The equipment rate of property & casualty continued to grow at +9.8% in Q1 20.

Overall, the commercial momentum remained robust this quarter: average loan outstandings rose +7.3% vs. Q1 19 (to EUR 205.9 billion) supported by favourable momentum in housing loans, consumer credit and corporate investment loans. Average outstanding loans to individuals totalled EUR 122.1 billion in Q1 19, up +8.5% vs. Q1 19 and average corporate investment loan outstandings rose +6.4% vs. Q1 19 (to EUR 72.7 billion).

Average outstanding balance sheet deposits [2] are up +5.3% vs. Q1 19, to EUR 213.5 billion, still driven by sight deposits (+8.6%[3] vs Q1 19). As a result, the average loan/deposit ratio stood at 96.4% in Q1 19 (up + 1.9 points vs. Q1 19).

In this exceptional period, French Retail Banking is fully supporting the economy, accompanying individual, corporate and professional customers. The Group was extremely reactive in setting up the State Guaranteed Loan (PGE), and as of 27st April, circa 57,000 requests have been received for a total amount of EUR 14bn. In addition, as of 27st April, deferred payment for a total amount of EUR 1.8bn has been put in place for Corporate investment loans.

Net banking income excluding PEL/CEL

In Q1 20, French Retail Banking posted revenues (after neutralising the impact of PEL/CEL provisions) down -1.2% vs Q1 19.

Net interest income (excluding PEL/CEL) was 1.4% higher, underpinned in particular by buoyant volumes and steady margins. Commissions were -2.6% lower than in Q1 19: the strong increase in financials commissions over the quarter was more than offset by the drop in service commissions in particular in March.

Operating expenses

Operating expenses were down -2.4% compared to Q1 19 supported by good control of run costs and despite the increase in regulatory costs this quarter. In Q1 20, the cost to income ratio stood at 71.3% (after linearisation of the IFRIC 21 charge and restated for the PEL / CEL provision), down 1.9 point compared to Q1 19.

Cost of risk

The commercial cost of risk stood at 49 basis points, in Q1 20 (30 basis points in Q4 19; 20 basis points in Q1 19), reflecting the effect in particular of the provisioning related to Covid-19.

Net profits or losses from other assets

The “Net profits or losses from other assets” item includes a capital gain of EUR 130 million relating to the Group's property disposal programme.

Contribution to Group net income

The contribution to Group net income was at EUR 219m (-6.4% vs Q1 19), down -2.7% after neutralising the impact of PEL/CEL provisions vs Q1 19.

The underlying return on normative equity stood at 10.7% in Q1 20 (vs. 10.4% in Q1 19).

---

(2) including BMTN
(3) including foreign currency deposit

4. INTERNATIONAL RETAIL BANKING & FINANCIAL SERVICES

In EURm	Q1 20	Q1 19	Change	
Net banking income	1,964	2,076	-5.4%	+1.6%*
Operating expenses	(1,146)	(1,204)	*-4.8%*	*+2.6%**
Gross operating income	**818**	**872**	***-6.2%***	***+0.2%****
Net cost of risk	(229)	(128)	*+78.9%*	*+80.9%**
Operating income	**589**	**744**	***-20.8%***	***-14.6%****
Net profits or losses from other assets	12	1	*x 12.0*	*x 12.1*
Reported Group net income	**365**	**464**	***-21.3%***	***-12.5%****
RONE	13.8%	16.0%		
Underlying RONE (1)	***15.4%***	***17.6%***		

(1) Adjusted for the linearisation of IFRIC 21

International Retail Banking and Financial Sercices enjoyed a good profitability this quarter with an underlying return on normative equity at 15.4%[1]. The commercial performance was very good at the beginning of the year despite first effects of the crisis from mid-March in particular in Western Europe and Financial Service to Corporates.

In International Retail Banking, outstanding loans totalled EUR 85.1 billion in Q1 20. They rose +6.2%* vs. end-March 2019 when adjusted for changes in Group structure and at constant exchange rates, with a healthy momentum across all regions. They were down -7.4% at current structure and exchange rates, given the disposals finalised since Q1 19 (Societe Generale Monténegro, Eurobank in Poland, Societe Generale Serbia, Mobiasbanca in Moldavia, SKB in Slovenia and OBSG in Macedonia). Outstanding deposits followed a similar positive trend, up +7.4%* (-6.3%) vs. end-March 2019, to reach EUR 77.7 billion.

Within the Europe scope, outstanding loans were up +5.9%* vs. end-March 2019 at EUR 53.3 billion (- 11.6%) and outstanding deposits were up +6.5%*(-12.5%).

In Russia, commercial activity was robust in the quarter, particularly in the corporate segment. Outstanding loans were up +7.7%* (-5.7%) vs. end-March 2019 while outstanding deposits climbed +14.0%* (+1.8%).

In Africa, Mediterranean Basin and French Overseas Territories, the commercial performance was also solid. Outstanding loans rose +6.4%*(+3.8%) vs. end-March 2019, with a good commercial momentum in the corporate segment. Outstanding deposits were up +6.3%* (+4.4%).

In Insurance, the life insurance savings business saw outstandings increase +1.4%* vs. end-March 2019. The share of unit-linked products, very high this quarter, reached 47% of gross inflows and 27% of outstandings. Protection insurance enjoyed steady growth (+5.5%*), with a very good performance in Property/Casualty premiums in particular, increasing by +14.1%* vs. Q1 19.

Financial Services to Corporates enjoyed also a good commercial momentum in the first quarter.

Net banking income

In Q1 20, revenues totalled EUR 1,964 million, up +1.6%* (-5.4%) vs. Q1 19, up +1.9%* excluding EUR 6m of contribution to the solidarity fund in Insurance in France.

Net banking income of **International Retail Banking**, totalled EUR 1,293 million, up +2.9%* (-6.8%) vs. Q1 19. In Europe revenues were up +1.0%* (-16.4%). The revenues growth remains solid in SG Russia(2) (+4.4%*, +6.0%) as well as in Africa, Mediterranean Basin and French Overseas Territories (+4.3%*, +4.7% vs. Q1 19).

The Insurance business posted EUR 229m of net banking income, slightly down (-0.8%*; -0.9%). Restated from the contribution to the solidarity fund in France, it was up +1.8%* vs. Q1 19.

Financial Services to Corporates' net banking income decreased by -0.9%* (-3.5%) to EUR 442 million.

Operating expenses

Operating expenses were up +2.6%* (-4.8%) vs. Q1 19. Excluding EUR 11m of contribution to the guarantee fund COVID in Mediterranean basin, operating expenses were up +1.5%*. The cost to income ratio stood at 58.4% in Q1 20.

In International Retail Banking, operating expenses were up +2.4%* (-6.9%) vs. Q1 19.

In the **Insurance** business, operating expenses in conjunction with the Insurance business' commercial expansion ambitions rose +3.6%* vs. Q1 19 to EUR 108 million.

In **Financial Services to Corporates,** operating expenses rose +2.8%* (-1.2%) vs. Q1 19.

Cost of risk

This quarter, the cost of risk is at 67 basis points vs. 39 basis points in Q1 19. This quarter included the first impact of Covid-19 notably in Europe.

Contribution to Group net income

The contribution to Group net income was at EUR 365m, -12.5%* (-21.3%) vs Q1 19.
Underlying RONE stood at 15.4% in Q1 20, vs. 17.6% in Q1 19.

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

5. GLOBAL BANKING & INVESTOR SOLUTIONS

In EURm	Q1 20	Q1 19	Change	
Net banking income	1,627	2,239	*-27.3%*	*-28.2%**
Operating expenses	(1,977)	(2,026)	*-2.4%*	*-2.9%**
Gross operating income	**(350)**	**213**	***n/s***	***n/s***
Net cost of risk	**(342)**	(42)	*x 8.1*	*x 8.0*
Operating income	**(692)**	**171**	***n/s***	***n/s***
Reported Group net income	**(537)**	**140**	***n/s***	***n/s***
RONE	-15.8%	3.4%		
Underlying RONE (1)	***-9.0%***	***8.0%***		

(1) Adjusted for the linearisation of IFRIC 21

Net banking income

Reported net banking income were down -27.3% at EUR 1,627m
When adjusted for the impact of restructuring (activities in the process of being closed or scaled back), the revaluation of SIX securities which positively impacted Q1 19 for EUR 66 million and the disposal of Private Banking in Belgium, net banking income was down -20.7% compared to Q1 19.

In Global Markets & Investor Services, reported net income banking totalled EUR 768 million, down - 42.2% vs Q1 19. When adjusted for the impact of restructuring and the revaluation of SIX securities (EUR +34 million in Q1 19), revenues in Q1 20 were down -33.7% vs. Q1 19.

When restated for the impact of restructuring in Global Markets, revenues from Fixed Income & Currencies were +51.6% higher in Q1 20 vs. Q1 19, driven by high client activity and greater volumes, especially in rates, foreign exchange and financing. On a reported basis, they were up +32.1%. at EUR 609 million. The very strong performance in rates and foreign exchanges fully offsetted a poor performance in structured credit, which was penalised by spreads widening and credit defaults.

Equity net banking income totalled EUR 9 million in Q1 20, down -98.7% vs. Q1 19 and impacted by different effects. These activities performed well in January and February. However, revenues from structured products activities were severely impacted by the equity markets dislocation in March, the cancellation of dividend payments (loss of EUR 200 million) and by counterparty defaults (loss of EUR 55 million). In addition, reserves increased this quarter, impacting revenues by EUR 175 million.

Despite the current crisis, a significant step in the integration of EMC activities within Societe Generale was successfully achieved in March. It concerns the integration of flow investment solutions (such as warrants and certificates).

Securities Services' assets under custody amounted to EUR 4,110 billion at end-March 2020, a decline of -2.4% vs end-December 2019. Over the same period, assets under administration were lower (-10.5%) at EUR 579 billion. In Q1 20, Securities Services' revenues totalled EUR 150 million, down -9.6% vs Q1 19, when adjusted for the revaluation of SIX securities (EUR +34 million), with fees decreasing in March due to the Covid-19 crisis in France.

Financing and Advisory revenues totalled EUR 629 million in Q1 20, down -4.1% vs a high Q1 19. Structured finance revenues were resilient, with a good start to the year. The Asset Backed Products platform suffered from credit market dislocation, in particular in US and posted a weaker quarter. Results were more mitigated in investment banking: debt capital markets were active this quarter but equity capital markets, M&A and LBO markets have been muted.
Transaction banking business continued to expand this quarter and confirmed its good profitability.

Asset and Wealth Management's net banking income totalled EUR 230 million in Q1 20, an increase of +5.5% when adjusted for the revaluation of SIX securities (EUR 32 million in Q1 19) and for the disposal of Private Banking in Belgium (-9.8% on a reported basis).

At end-March 2020, Private Banking presented a net new inflow of EUR 1 billion, driven by France. With the negative market effect, assets under management were, however, -6.6% lower than in December 2019, at EUR 111 billion. When adjusted for the revaluation of SIX securities and for the disposal of Private Banking in Belgium, net banking income amounted to EUR 176 million, up +4.1% vs. Q1 19 (- 14.6% on a reported basis), with resilient results in French Private Banking.

Lyxor's assets under management totalled EUR 126 billion at end-March 2020, down -15.2% vs end-December 2019, following the collapse of the equity index market in March. In Q1 20, revenues were up +13.6% vs Q1 19, driven by the contribution of Commerzbank assets.

Operating expenses

When restated from IFRIC21 impact, Q1 20 operating expenses were down -4.9% vs. Q1 19. Global Banking and Investor Solutions confirms the successful execution of its cost savings plan of EUR 500 million, totally secured for 2020, and is on track to deliver, this year, operating expenses below EUR 6.8 billion.

Net cost of risk

The net cost of risk was up sharply: 87 basis point in Q1 20 (vs. 17 basis point in Q4 19). It is heavily penalised by first sight of Covid-19 effect, as well as some specific files, including two exceptionnal fraud files.

Contribution to Group net income

The contribution to Group net income was at EUR -537m.
Underlying RONE stood was negative this quarter.

6. CORPORATE CENTRE

In EURm	Q1 20	Q1 19
Net banking income	(301)	(40)
Operating expenses	(105)	(73)
Gross operating income	**(406)**	**(113)**
Net cost of risk	-	-
Net profits or losses from other assets	(77)	(53)
Reported Group net income	**(373)**	**(152)**

Figures for Q1 19 restated for the implementation of the amendment to IAS 12. See Appendix 1.

The Corporate Centre includes:
- property management of the Group's head office,
- Group equity portfolio,
- 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 -301 million in Q1 20 vs. EUR -40 million in Q1 19. It contains notably the change in fair value of financial instruments corresponding to economic hedges of financial debt but that do not meet IFRS hedge accounting criteria.

Operating expenses totalled EUR -105 million in Q1 20 vs. EUR -73 million in Q1 19.

Gross operating income totalled EUR -406 million in Q1 20 vs. EUR -113 million in Q1 19.

Net profits or losses from other assets totalled EUR -77 million in Q1 20 and included primarily, with regard to the application of IFRS 5 as part of the implementation of the Group's refocusing plan, an expense amounting to EUR -69 million corresponding to the finalisation of the disposal of Societe Generale de Banque aux Antilles.

The Corporate Centre's contribution to Group net income was EUR -373 million in Q1 20 vs. EUR -152 million in Q1 19.

7. CONCLUSION

In the face of the unprecedented health, economic and social crisis we are experiencing, the Group is committed to ensure the safety of its employees and clients and to support its clients with both continuity and quality of service, wholly fulfilling its role of economic support in particular alongside its partners.

Able to draw on the prudent action delivered over the past few years, the Group is tackling this crisis with a sound business model. Its risk profile is robust with a good quality loan portfolio, diversified by geography and sector. The Group has built a strong balance sheet and liquidity profile.

Through the management of this health-triggered economic crisis, the Group confirms the decrease of its costs in 2020 versus 2019 and the good execution of initiated costs reduction plans. Furthermore it targets an additional cost reduction between EUR 600m and EUR 700m, net of specific costs related to Covid.

The Group expects, over 2020, a cost of risk of around 70 basis points in its base Covid scenario and a cost of risk of around 100 basis points in a scenario of extended shutdown. The Group aims to steer its CET1[(1)] between 200 and 250 basis points over regulatory requirement, depending on the assumption used for potential exceptional dividend distribution.

Beyond the focused adaptation to the immediate impact of the crisis, the Group is already working on the designs of its 2021-2025 strategic plan to take into account the new environment post crisis.

---

(1) Including 2020 dividend accrual

8. 2020 FINANCIAL CALENDAR

2020 Financial communication calendar

May 19th, 2020	General Meeting
August 3rd, 2020	Second quarter and first half 2020 results
November 5th, 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 CORE BUSINESS

In M EUR	Q1 20	Q1 19	Change
French Retail Banking	219	234	-6.4%
International Retail Banking and Financial Services	365	464	-21.3%
Global Banking and Investor Solutions	(537)	140	n/s
Core Businesses	47	838	-94.4%
Corporate Centre	(373)	(152)	n/s
Group	(326)	686	n/s

Corporate Centre and Group figures for Q1 19 restated for the application of the amendment to IAS 12

TABLE FOR THE TRANSITION FROM PUBLISHED DATA TO DATA RESTATED FOR THE APPLICATION OF THE AMENDMENT TO IAS 12

	Income Tax			Group Net Income		
	Reported	**IAS 12 impact**	**Adjusted**	**Reported**	**IAS 12 impact**	**Adjusted**
Q1 19	(310)	**55**	(255)	631	**55**	686

CONSOLIDATED BALANCE SHEET

ASSET – in million of euros	31.03.2020	31.12.2019
Cash, due from central banks	132,389	102,311
Financial assets at fair value through profit or loss	464,642	385,739
Hedging derivatives	20,204	16,837
Financial assets measured at fair value through other comprehensive income	55,493	53,256
Securities at amortised cost	12,841	12,489
Due from banks at amortised cost	63,246	56,366
Customer loans at amortised cost	461,775	450,244
Revaluation differences on portfolios hedged against interest rate risk	434	401
Investment of insurance activities	156,535	164,938
Tax assets	5,589	5,779
Other assets	95,861	68,045
Non-current assets held for sale	3,654	4,507
Investments accounted for using the equity method	115	112
Tangible and intangible assets	30,201	30,652
Goodwill	4,727	4,627
Total	**1,507,706**	**1,356,303**

LIABILITIES – in million of euros	31.03.2020	31.12.2019
Central banks	9,816	4,097
Financial liabilities at fair value through profit or loss	447,381	364,129
Hedging derivatives	11,452	10,212
Debt securities issued	139,565	125,168
Due to banks	115,628	107,929
Customer deposits	442,642	418,612
Revaluation differences on portfolios hedged against interest rate risk	8,129	6,671
Tax liabilities	1,353	1,409
Other liabilities	108,943	85,062
Non-current liabilities held for sale	847	1,333
Liabilities related to insurance activities contracts	135,458	144,259
Provisions	3,971	4,387
Subordinated debts	15,003	14,465
Total liabilities	**1,440,188**	**1,287,733**
SHAREHOLDERS' EQUITY		
Shareholders' equity, Group share		
Issued common stocks, equity instruments and capital reserves	30,059	31,102
Retained earnings	32,592	29,558
Net income	(326)	3,248
Sub-total	**62,325**	**63,908**
Unrealised or deferred capital gains and losses	256	(381)
Sub-total equity, Group share	**62,581**	**63,527**
Non-controlling interests	4,937	5,043
Total equity	**67,518**	**68,570**
Total	**1,507,706**	**1,356,303**

10. APPENDIX 2: METHODOLOGY

1 - The financial information presented for the quarter ending 31 March 2020 was reviewed by the Board of Directors on April 29st 2020 and has been prepared in accordance with IFRS as adopted in the European Union and applicable at this date, and has not been audited.

2 – Net banking income

The pillars' net banking income is defined on page 43 of Societe Generale's 2020 Universal Registration Document. The terms "Revenues" or "Net Banking Income" are used interchangeably. They provide a normalised measure of each pillar's net banking income taking into account the normative capital mobilised for its activity.

3 – Operating expenses

Operating expenses correspond to the "Operating Expenses" as presented in note 8.1 to the Group's consolidated financial statements as at December 31st, 2019 (pages 423 et seq. of Societe Generale's 2020 Universal Registration Document). The term "costs" is also used to refer to Operating Expenses.
The Cost/Income Ratio is defined on page 43 of Societe Generale's 2020 Universal Registration Document.

4 – IFRIC 21 adjustment

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

5 – Exceptional items – Transition from accounting data to underlying data

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 20 (in EURm)	Operating Expenses	Net profit or losses from other assets	Group net income	Business
Reported	(4,678)	80	(326)	
(+) IFRIC 21 linearisation	*490*		*347*	
*(-) Group refocusing plan**		*(77)*	*(77)*	*Corporate Centre*
Underlying	(4,188)	157	98	

Q1 19 (in EURm)	Operating Expenses	Net profit or losses from other assets	Group net income	Business
Reported	(4,789)	(51)	686	
(+) IFRIC 21 linearisation	*444*		*304*	
*(-) Group refocusing plan**		*(53)*	*(75)*	*Corporate Centre*
Underlying	(4,345)	2	1,065	

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 45 and 574 of Societe Generale's 2020 Universal Registration Document. This indicator makes it possible to assess the level of risk of each of the pillars as a percentage of balance sheet loan commitments, including operating leases.

	(In EUR m)	Q1 20	Q1 19
French Retail Banking	Net Cost Of Risk	249	94
	Gross loan Outstandings	201,139	191,422
	Cost of Risk in bp	**49**	**20**
International Retail Banking and Financial Services	Net Cost Of Risk	229	128
	Gross loan Outstandings	136,407	129,861
	Cost of Risk in bp	**67**	**39**
Global Banking and Investor Solutions	Net Cost Of Risk	342	43
	Gross loan Outstandings	158,064	164,811
	Cost of Risk in bp	**87**	**10**
Corporate Centre	Net Cost Of Risk		0
	Gross loan Outstandings	9,710	9,248
	Cost of Risk in bp	**2**	**(1)**
Societe Generale Group	Net Cost Of Risk	820	264
	Gross loan Outstandings	505,319	495,341
	Cost of Risk in bp	**65**	**21**

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 45 and 46 of Societe Generale's 2020 Universal 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 46 of Societe Generale's 2020 Universal Registration Document.
Group net income used for the ratio numerator is book Group net income adjusted for "interest net of tax payable on 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 20	Q1 19
Shareholders' equity Group share	**62,581**	**61,830**
Deeply subordinated notes	(8,258)	(9,473)
Undated subordinated notes	(288)	(283)
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	1	(37)
OCI excluding conversion reserves	(648)	(472)
Dividend provision	-	(2,025)
ROE equity end-of-period	**53,387**	**49,540**
Average ROE equity	**53,279**	**49,434**
Average Goodwill	(4,561)	(4,701)
Average Intangible Assets	(2,369)	(2,193)
Average ROTE equity	**46,349**	**42,540**
Group net Income (a)	**(326)**	**686**
Underlying Group net income (b)	**98**	**1,065**
Interest on deeply subordinated notes and undated subordinated notes (c)	(159)	(165)
Cancellation of goodwill impairment (d)		67
Ajusted Group net Income (e) = (a)+ (c)+(d)	**(485)**	**588**
Ajusted Underlying Group net Income (f)=(b)+(c)	**(61)**	**900**
Average ROTE equity (g)	**46,349**	**42,540**
ROTE quarter: (4*e/g)]	-4.2%	5.5%
Average ROTE equity (underlying) (h)	**46,773**	**42,730**
Underlying ROTE quarter: (4*f/h)]	-0.5%	8.4%

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

In EUR m	Q1 20	Q1 19	Change
French Retail Banking	**11,182**	11,257	-0.7%
International Retail Banking and Financial Services	**10,563**	11,617	-9.1%
Global Banking and Investor Solutions	**13,615**	16,582	-17.9%
Core Businesses	**35,360**	39,456	-10.4%
Corporate Centre	**17,919**	9,978	+79.6%
Group	**53,279**	49,434	+7.8%

8 – Net assets and tangible net assets

Net assets and tangible net assets are defined in the methodology, page 48 of the Group's 2020 Universal Registration Document. The items used to calculate them are presented below.

End of period	Q1 20	2019	2018
Shareholders' equity Group share	**62,581**	**63,527**	**61,026**
Deeply subordinated notes	(8,258)	(9,501)	(9,330)
Undated subordinated notes	(288)	(283)	(278)
Interest net of tax payableto holders of deeply subordinated notes & undated subordinated notes, interest paid to holders of deeply subordinated notes & undated subordinated notes, issue premium amortisations	1	4	(14)
Bookvalue of own shares in trading portfolio	381	375	423
Net Asset Value	**54,416**	**54,122**	**51,827**
Goodwill	(4,611)	(4,510)	(4,860)
Intangible Asset	(2,376)	(2,362)	(2,224)
Net Tangible Asset Value	**47,429**	**47,250**	**44,743**
Number of shares used to calculate NAPS**	**851,133**	**849,665**	**801,942**
Nest Asset Value per Share	**63.9**	**63.7**	**64.6**
Net Tangible Asset Value per Share	**55.7**	**55.6**	**55.8**

*** The number of shares considered is the number of ordinary shares outstanding as at March 31st, 2020, 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 47 of Societe Generale's 2020 Universal Registration Document). The corrections made to Group net income in order to calculate EPS correspond to the restatements carried out for the calculation of ROE and ROTE. As specified on page 47 of Societe Generale's 2020 Universal 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:

Average number of shares (thousands)	Q1 20	2019	2018
Existing shares	**853,371**	**834,062**	**807,918**
Deductions			
Shares allocated to cover stock option plans and free shares awarded to staff	2,972	4,011	5,335
Other own shares and treasury shares	-	149	842
Number of shares used to calculate EPS**	**850,399**	**829,902**	**801,741**
Group net Income	**(326)**	**3,248**	**4,121**
Interest on deeply subordinated notes and undated subordinated notes	(159)	(715)	(719)
Capital gain net of tax on partial buybacks	-	-	-
Adjusted Group net income	**(485)**	**2,533**	**3,402**
EPS (in EUR)	**-0.57**	**3.05**	**4.24**
Underlying EPS* (in EUR)	**-0.07**	**4.03**	**5.00**

** 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 31st, 2020, 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.

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.

Societe Generale

Societe Generale is one of the leading European financial services groups. Based on a diversified and integrated banking model, the Group combines financial strength and proven expertise in innovation with a strategy of sustainable growth. Committed to the positive transformations of the world's societies and economies, Societe Generale and its teams seek to build, day after day, together with its clients, a better and sustainable future through responsible and innovative financial solutions.

Active in the real economy for over 150 years, with a solid position in Europe and connected to the rest of the world, Societe Generale has over 138,000 members of staff in 62 countries and supports on a daily basis 29 million individual clients, businesses and institutional investors around the world by offering a wide range of advisory services and tailored financial solutions. The Group is built on three complementary core businesses:

- **French Retail Banking** which encompasses the Societe Generale, Crédit du Nord and Boursorama brands. Each offers a full range of financial services with omnichannel products at the cutting edge of digital innovation;
- **International Retail Banking, Insurance and Financial Services to Corporates**, with networks in Africa, Russia, Central and Eastern Europe and specialised businesses that are leaders in their markets;
- **Global Banking and Investor Solutions**, which offers recognised expertise, key international locations and integrated solutions.

Societe Generale is included in the principal socially responsible investment indices: DJSI (World and Europe), FTSE4Good (Global and Europe), Euronext Vigeo (World, Europe and Eurozone), four of the STOXX ESG Leaders indices, and the MSCI Low Carbon Leaders Index.

For more information, you can follow us on Twitter @societegenerale or visit our website www.societegenerale.com