SOCIETE GENERALE

RESULTS AT SEPTEMBER 30TH 2019

Press release

Paris, November 6th 2019

SUBSTANTIAL INCREASE IN THE CAPITAL RATIO (CET1 AT 12.5%)

- Increase in CET1 of 46 basis points to 12.5% vs. June 30th, 2019, nearly 250 basis points above regulatory requirements (Maximum Distributable Amount). The Tier 1 ratio stands at 15.2%
- Organic capital generation amounting to 28 basis points in 9M 19, including a dividend provision of EUR 1.65 per share (corresponding to 75% of EUR 2.20 per share)
- Target of reducing Global Banking & Investor Solutions' risk-weighted assets by EUR 10 billion achieved
- Finalisation of the disposals of Societe Generale Serbia, Societe Generale Montenegro and Mobiasbanca Societe Generale for an impact of +10bp in Q3 19, taking the cumulative impact of the finalised disposals to +38bp
- Increase in the leverage ratio to 4.4%
- Tangible net asset value up 7.9% vs. September 30th, 2018 (tangible net asset value per share: +1.9%)

SATISFACTORY PROGRESS IN THE ADAPTATION OF THE BUSINESSES AND THE BUSINESS MODEL, RESILIENT PROFITABILITY (ROTE(1) OF 8.1% in 9M 19)

- Good level of profitability in French Retail Banking and International Retail Banking & Financial Services, within the target of 2020 objectives
- Execution of Global Banking & Investor Solutions' restructuring plan in line with objectives: increase in Structured Financing revenues, decline in Global Markets' revenues incorporating the effects of business closures
- Further decline in the Group's underlying operating expenses: -1.3%(1) in Q3 19 vs. Q3 18, -1.2%(1) in 9M 19 vs. 9M 18, with in particular an excellent performance in Global Banking & Investor Solutions (-3.1%(2) in 9M 19 vs. 9M 18)
- Cost of risk contained at 24 basis points in 9M 19 (26 basis points in Q3 19)
- Underlying Group net income of EUR 855m in Q3 19 and EUR 3,183m in 9M 19

SOCIETE GENERALE CONFIRMED AS A LEADING BANK IN COMBATING CLIMATE CHANGE

- No. 1 bank globally on Environmental issues and No. 6 across all CSR criteria (2019 RobecoSAM ranking)
- New objective for Societe Generale's contribution to the financing of the energy transition of EUR 120 billion between 2019 and 2023

Fréderic Oudéa, the Group's Chief Executive Officer, commented*:*

"Once again this quarter, we have achieved results very much in line with our objectives and priorities. In terms of capital, there was a further substantial increase in the CET1 ratio to 12.5%. Retail banking and financial services posted robust commercial and financial performances. Global Banking & Investor Solutions delivered resilient net income in an unfavourable environment, without yet benefiting from the positive effects of the ongoing restructuring which is ahead of its 2020 objectives. The cost of risk remained low for all the businesses, reflecting the quality of the loan portfolio. Finally, Societe Generale has confirmed its role as a committed and responsible player and leading international bank in terms of financing the energy transition. The Group, with the strong commitment of its teams, is confident of its ability to deliver, in an ever more restrictive environment in Europe."

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

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

(2) Operating expenses restated for restructuring costs and integration costs in respect of EMC activities

1. GROUP CONSOLIDATED RESULTS

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

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

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; 2018 comparative data have been restated.

Societe Generale's Board of Directors, which met on November 5th, 2019 under the chairmanship of Lorenzo Bini Smaghi, examined the Societe Generale Group's results for Q3 and 9M 2019.

The various restatements enabling the transition from underlying data to published data are presented in the methodology notes (section 9.5).

Net banking income: EUR 5,983m (-8.4% vs. Q3 18), EUR 18,458m (-4.3% vs. 9M 18)

When restating the revaluation of Euroclear securities in Q3 18 for EUR 271 million, the Group's net banking income was down -4.4% (-3.7%*) vs. Q3 18 and -2.9% (-2.6%*) vs. 9M 18. In terms of the businesses, revenues were 2.9%* lower than in Q3 18 (-1.3%* vs. 9M 18). The growth in International Retail Banking & Financial Services and the stable revenues in French Retail Banking were more than offset by the decline in revenues in Global Banking & Investor Solutions, against the backdrop of the restructuring of activities and an adverse market environment for Global Markets and Investment Banking.

Operating expenses: EUR -4,165m (-4.1% vs. Q3 18), EUR -13,224m (-1.8% vs. 9M 18)

Underlying operating expenses were down -1.3% in Q3 19 and -1.2% in 9M 19, reflecting rigorous cost control across all the businesses. More than 55% of the programme to reduce costs by EUR 1.1 billion by 2020 has been achieved. Global Banking & Investor Solutions' operating expenses were lower in Q3 19, against a backdrop of restructuring. Operating expenses were slightly higher in French Retail Banking. In International Retail Banking & Financial Services, operating expenses supported the growth in activity, with a positive jaws effect.

Cost of risk: EUR -329m (26bp), EUR -907m (24bp)

The Group's commercial cost of risk (expressed as a fraction of outstanding loans) remained low and amounted to 26 basis points in Q3 19 (22 basis points in Q3 18 and 25 basis points in Q2 19). The cost of risk amounted to 24 basis points in 9M 19; it was 18 basis points in 9M 18. The Group anticipates a cost of risk of between 25 and 30 basis points in 2019.

The gross doubtful outstandings ratio amounted to 3.4% at September 30th, 2019 (stable vs. June 30th, 2019). The Group's gross coverage ratio for doubtful outstandings stood at 55%(1) at September 30th, 2019 (stable vs. June 30th, 2019).

Net profits or losses from other assets: EUR -71m in Q3 19, EUR -202m in 9M 19

Net profits or losses from other assets totalled EUR -71 million in Q3 19, including EUR -113 million corresponding to the effect of the application of IFRS 5 as part of the implementation of the Group's refocusing plan.

Group net income: EUR 854m (-34.8% vs. Q3 18), EUR 2,594m (-24.5% vs. 9M 18)

In EURm	Q3 19	Q3 18	9M 19	9M 18
Reported Group net income	854	1,309	2,594	3,436
Underlying Group net income(2)	855	1,327	3,183	3,917

In %	Q3 19	Q3 18	9M 19	9M 18
ROTE (reported)	6.1%	10.9%	6.7%	9.6%
Underlying ROTE(2)	6.1%	11.0%	8.1%	11.0%

Earnings per share amounts to EUR 2.49 in 9M 19 (EUR 3.62 in 9M 18). The dividend provision amounts to EUR 1.65 per share in 9M 19.

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

2. THE GROUP'S FINANCIAL STRUCTURE

Group **shareholders' equity** totalled EUR 63.7 billion at September 30th, 2019 (EUR 61.0 billion at December 31st, 2018). Net asset value per share was EUR 63.6 and tangible net asset value per share was EUR 55.5 (an increase of 1.9% vs. September 30th, 2018).

The **consolidated balance sheet** totalled EUR 1,411 billion at September 30th, 2019 (EUR 1,309 billion at December 31st, 2018). The net amount of customer loan outstandings at September 30th, 2019, including lease financing, was EUR 425 billion (EUR 421 billion at December 31st, 2018) – excluding assets and securities received under repurchase agreements. At the same time, customer deposits amounted to EUR 407 billion, vs. EUR 399 billion at December 31st, 2018 (excluding assets and securities sold under repurchase agreements).

At end-September 2019, the parent company had issued EUR 32.7 billion of medium/long-term debt, having an average maturity of 4.5 years and an average spread of 49 basis points (vs. the 6-month mid-swap, excluding subordinated debt). The subsidiaries had issued EUR 1.7 billion. At September 30th, 2019, the Group had issued a total of EUR 34.4 billion of medium/long-term debt. The LCR (Liquidity Coverage Ratio) was well above regulatory requirements at 136% at end-September 2019 vs. 129% at end-December 2018. At the same time, the NSFR (Net Stable Funding Ratio) was over 100% at end-September 2019. At end-September 2019, the Group had achieved 100% of its long-term financing programme scheduled for 2019.

The Group's **risk-weighted assets** (RWA) amounted to EUR 353.5 billion at September 30th, 2019 (vs. EUR 376.0 billion at end-December 2018) according to CRR/CRD4 rules. Risk-weighted assets in respect of credit risk represent 81.6% of the total, at EUR 288.5 billion, down -4.7% vs. December 31st, 2018.

At September 30th, 2019, the Group's fully-loaded **Common Equity Tier 1** ratio stood at 12.5%(1), up 46 basis points vs. June 30th, 2019. This increase includes, in particular, the reduction in Global Markets' risk-weighted assets for +10 basis points, the effect of securitisation transactions for a cumulative impact of +15 basis points, the finalisation of the disposals of Societe Generale Serbia, Societe Generale Montenegro and Mobiasbanca Societe Generale for an impact of 10 basis points. The Tier 1 ratio stood at 15.2% at end-September 2019 (13.7% at end-December 2018) and the total capital ratio amounted to 18.5% (16.7% at end-December 2018).
With a level of 27.0% of RWA and 7.7% of leveraged exposure at end-September 2019, the Group's TLAC ratio is above the FSB's requirements for 2019. At September 30th, 2019, the Group was also above its MREL requirements of 8% of the TLOF(2) (which, at end-December 2016, represented a level of 24.4% of RWA), which were used as a reference for the SRB calibration.

The **leverage ratio** stood at 4.4% at September 30th, 2019, an increase of 11 basis points vs. end-December 2018 and 7 basis points vs. June 30th, 2019.

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

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(1) *Pro forma for the announced disposals (+9 basis points) and the integration of EMC (-5 basis points), the CET1 ratio amounts to 12.5%*
(2) *TLOF: Total Liabilities and Own Funds*

3. FRENCH RETAIL BANKING

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

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

French Retail Banking delivered a solid performance in Q3 19 against the backdrop of a low interest rate environment and the transformation of the French networks. Underlying RONE stood at 12.0% in Q3.

French Retail Banking's three brands (Societe Generale, Crédit du Nord and Boursorama) enjoyed a healthy commercial momentum during the quarter and strengthened their customer franchise.
Boursorama consolidated its position as the leading online bank in France, with more than 2 million clients at end-September 2019.
French Retail Banking expanded its business among mass affluent and wealthy clients, with the number of customers increasing by 3% vs. Q3 18. Net inflow for wealthy clients remained robust at EUR 1.1 billion in Q3 19, taking assets under management to EUR 68 billion (including Crédit du Nord) at end-September 2019.
The commercial momentum remained robust for Corporate clients, with the number of clients rising by 1% vs. Q3 18.
Bancassurance continued to enjoy buoyant activity: life insurance experienced net inflow of EUR 395 million (+9% vs. Q3 18). Outstandings were up +1.7% vs. Q3 18 at EUR 95 billion, with the unit-linked share accounting for 25% of outstandings.

Average loan outstandings climbed +5.7% vs. Q3 18 (to EUR 198 billion): in particular, outstanding loans to individuals were 5.3% higher at EUR 117 billion while medium-term corporate loan outstandings rose 6.9% vs. Q3 18 to EUR 70 billion.

Average outstanding balance sheet deposits were 4.4% higher than in Q3 18 (at EUR 210 billion), still driven by sight deposits (+8.7% vs. Q3 18, including currency-denominated deposits).
As a result, the average loan/deposit ratio stood at 94.3% in Q3 19 (up 1.2 points vs. Q3 18).

The Group continued to adapt its operational set-up, in parallel with the digital transformation process. It closed 23 Societe Generale branches in Q3 19, and now has 1,821 branches nationwide. Societe Generale continued to roll out its specific facilities for the corporate sector and professionals. At end-September 2019, Societe Generale had 16 regional business centres, 110 "Pro Corners" (espaces pro) in branches and 10 dedicated "Pro Corners".

Net banking income excluding PEL/CEL: EUR 1,945m (+0.2% vs. Q3 18), EUR 5,894m (-0.3% vs. 9M 18)

Q3 19: Although still adversely affected by the low interest rate environment, there was an improvement in net interest income (excluding PEL/CEL) with an increase of 2.9% vs. Q3 18, underpinned by robust

loan production and improved margins. Commissions (including insurance revenues) were 4.2% lower than in Q3 18, impacted in particular by the banking industry's commitments in relation to vulnerable populations.
9M 19: Net interest income (excluding PEL/CEL) was 0.4% higher, while commissions (including insurance revenues) were 2.3% lower than in 9M 18.

The Group has confirmed that it expects revenues to evolve between 0% and -1% in 2019 vs. 2018, after neutralising the impact of PEL/CEL provisions.

Operating expenses: EUR -1,375m (+1.3% vs. Q3 18), EUR -4,209m (+0.2% vs. 9M 18)

Q3 19: Operating expenses were 1.3% higher than in Q3 18, reflecting primarily investments in the transformation process. **9M 19:** Operating expenses were stable (+0.2% vs. 9M 18).
The cost to income ratio stood at 71.0% in 9M 19 (excluding PEL/CEL provision and after linearisation of the IFRIC 21 charge).
The Group expects an increase in operating expenses of between 1% and 2% in 2019 vs. 2018.

Cost of risk: EUR -95m (-20.2% vs. Q3 18), EUR -318m (-8.1% vs. 9M 18)

Q3 19: The commercial cost of risk remained low and amounted to 19 basis points (27 basis points in Q2 19 and 25 basis points in Q3 18), reflecting the quality of the portfolio.
9M 19: The cost of risk stood at 22 basis points; it was 25 basis points in the first nine months of 2018.

Contribution to Group net income: EUR 311m (-2.8% vs. Q3 18), EUR 901m (-5.7% vs. 9M 18)

RONE (after linearisation of the IFRIC 21 charge and restated for the PEL/CEL provision) stood at the robust level of 12.0% in Q3 19 (vs. 10.6% in Q3 18) and 11.7% in 9M 19 (vs. 11.3% in 9M 18).

4. INTERNATIONAL RETAIL BANKING & FINANCIAL SERVICES

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

(1) Adjusted for the linearisation of IFRIC 21 and the restructuring provision of EUR 29 million

In International Retail Banking, outstanding loans totalled EUR 89.5 billion at end-June 2019. They rose +6.4%* vs. Q3 18 when adjusted for changes in Group structure and at constant exchange rates (-2.2% at current structure and exchange rates), given the disposals finalised during the first nine months of 2019 (SG Albania, Express Bank in Bulgaria, Societe Generale Montenegro, Eurobank in Poland, Societe Generale Serbia and Mobiasbanca in Moldova). Outstanding deposits were up +6.8%* (-1.6% at current structure and exchange rates) vs. Q3 18, at EUR 80.8 billion, with a healthy momentum in all regions.

For the Europe scope, outstanding loans were up +6.0%* vs. Q3 18, at EUR 56.6 billion (-8.7% at current structure and exchange rates), driven by the excellent momentum in Western Europe (+11.0%, +11.0%*) and robust growth in Romania (+3.7%*, -2.4%) and the Czech Republic (+3.0%*, +2.6%). Outstanding deposits were up +4.8%* (-10.1% at current structure and exchange rates), notably in the Czech Republic (+6.1%*, +5.8%).

In Russia, commercial activity was robust in a buoyant banking market. At end-September 2019, outstanding loans were up +7.6%* at constant exchange rates (+15.4% at current exchange rates) while outstanding deposits climbed +18.3%* (+26.5% at current exchange rates).

In Africa, Mediterranean Basin and Overseas Territories, commercial activity was generally healthy especially in Sub-Saharan Africa. Outstanding loans rose +6.9%* (+9.4%) vs. Q3 18, with a good commercial momentum both in the individual and business customer segments. Outstanding deposits were up +5.7%* (+8.4%).

In the Insurance business, the life insurance savings business saw outstandings increase +4.6%* vs. Q3 18. The share of unit-linked products in outstandings was 28% at end-September 2019, up +0.8 points vs. Q3 18. Personal Protection and Property/Casualty insurance enjoyed robust growth, with premiums increasing by respectively +8.8%* and +8.4%* vs. Q3 18.

Financial Services to Corporates enjoyed a good commercial momentum in Q3 19. Operational Vehicle Leasing and Fleet Management saw an increase in its vehicle fleet (+6.7% vs. end of Q3 18) to 1.7 million vehicles at end-September 2019, primarily through organic growth. Equipment Finance's outstanding loans were up +3.8%* in Q3 19 vs. Q3 18 at EUR 18.3 billion (excluding factoring), driven by a good level of new business whose margin has improved.

Net banking income: EUR 2,096m, +3.7%* (+0.2%) vs. Q3 18, EUR 6,296m, +5.4%* (+2.3%) vs. 9M 18

Net banking income totalled EUR 2,096 million in Q3 19, up +3.7%* (+0.2%) vs. Q3 18. Revenues amounted to EUR 6,296 million in 9M 19, up +5.4%* (+2.3%) vs. 9M 18.

In International Retail Banking, net banking income totalled EUR 1,401 million in Q3 19, up +4.8%* (-1.2%) vs. Q3 18, driven by the excellent momentum in Africa, Mediterranean Basin and Overseas Territories (+10.0%*, +12.4%) and robust growth in Europe (+2.1%*, -10.4%) and for SG Russia(1) (+3.2%*, +9.7%).
There was further confirmation of this trend in 9M 19. Net banking income amounted to EUR 4,200 million, up +6.6%* excluding the structure and exchange rate effect (+1.7%) vs. 9M 18.

The Insurance business posted a good financial performance in Q3 19, with net banking income increasing +4.6% to EUR 227 million in Q3 19 (+4.4%*). Net banking income rose +3.6% (+3.6%*) in 9M 19 to EUR 687 million.

Financial Services to Corporates' net banking income rose +2.4% (+0.4%*) in Q3 19 vs. Q3 18 to EUR 468 million. Net banking income came to EUR 1,409 million in 9M 19, up +3.5% (+2.8%*) vs. 9M 18.

Operating expenses: EUR -1,091m, +3.0%* (-0.8%) vs. Q3 18, EUR -3,440m, +5.4%* (+1.7%) vs. 9M 18

Operating expenses were up +3.0%* (-0.8%) in Q3 19. They increased +5.4%* (+1.7%) in 9M 19, including the restructuring provision (EUR 29 million) related to the simplification of the head office structure. The cost to income ratio stood at 52.1% in Q3 19 and 54.6% in 9M 19. When restated for the provision, operating expenses experienced a contained increase of +4.5%*, generating a positive jaws effect.

In International Retail Banking, the contained increase in operating expenses, up +2.5%* (-3.3%) vs. Q3 18 and +4.4%* (-0.8%) vs. 9M 18, resulted in a positive jaws effect.

In the **Insurance** business, operating expenses rose +9.1% (+8.8%*) vs. Q3 18 to EUR 84 million and +5.9% (+5.8%*) vs. 9M 18, in conjunction with the Insurance business' commercial expansion ambitions.

In **Financial Services to Corporates,** operating expenses rose +4.3% (+2.6%*) vs. Q3 18 and +5.0% (+4.4%*) vs. 9M 18.

Cost of risk: EUR -169m, +38.8%* (+36.3%) vs. Q3 18, EUR -430m, +56.3%* (+48.3%) vs. 9M 18

Q3 19: The commercial cost of risk remained low at 49 basis points (37 basis points in Q3 18 and 38 basis points in Q2 19), primarily in conjunction with the normalisation of the cost of risk in the Czech Republic and a slight deterioration in Africa. In Romania, there was a net write-back of EUR 14 million in the cost of risk which included an insurance payout in Q3 19.
9M 19: The cost of risk stood at 42 basis points; it was 29 basis points in 9M 18.

Contribution to Group net income: EUR 513m, +0.2%* (-3.6%) vs. Q3 18, EUR 1,492m, +1.7%* (-0.7%) vs. 9M 18

Underlying RONE stood at the high level of 18.1% in Q3 19, vs. 18.2% in Q3 18, and 18.2% in 9M 19, vs. 17.9% in 9M 18.

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

5. GLOBAL BANKING & INVESTOR SOLUTIONS

In EUR m	Q3 19	Q3 18	Change		9M 19	9M 18	Change	
Net banking income	2,013	2,178	*-7.6%*	*-8.5%**	6,518	6,805	*-4.2%*	*-5.9%**
Operating expenses	(1,638)	(1,710)	*-4.2%*	*-4.7%**	(5,579)	(5,462)	*+2.1%*	*+1.1%**
Gross operating income	**375**	**468**	***-19.9%***	***-21.9%****	**939**	**1,343**	***-30.1%***	***-33.2%****
Net cost of risk	**(65)**	(15)	*x 4.3*	*x 4.6*	**(140)**	5	*n/s*	*n/s*
Operating income	**310**	**453**	***-31.6%***	***-33.5%****	**799**	**1,348**	***-40.7%***	***-43.4%****
Reported Group net income	**253**	**345**	***-26.7%***	***-28.7%****	**667**	**1,018**	***-34.5%***	***-37.4%****
RONE	6.9%	8.7%			5.7%	8.9%		
Underlying RONE (1)	***5.1%***	***6.9%***			***7.7%***	***9.5%***		

(2) Adjusted for the linearisation of IFRIC 21 and the restructuring cost of EUR 227 million

Global Banking & Investor Solutions continued with the successful implementation of its plan for the adaptation of its operational set-up.

The target of reducing risk-weighted assets (RWA) by EUR 10 billion by 2020 (including EUR 8 billion in Global Markets) was already achieved in Q3 19. Overall, Global Banking & Investor Solutions' RWA declined by EUR 20 billion in the first nine months of the year.

The voluntary departure plan was launched in France on July 1st and reductions in the workforce outside France had already been initiated during the second quarter. At end-September, 55% of the announced reductions in the workforce had been achieved globally. The other cost-cutting initiatives have also been introduced and are well under way.

Q3 19 also saw the continued integration of Equity Markets & Commodities (EMC).

The division's net income fell in Q3 19 in a challenging market environment for Global Markets and investment banking and following the discontinuation of the OTC commodities business and the proprietary trading subsidiary.

It remained robust in structured financing and transaction banking.

Net banking income: EUR 2,013m (-7.6% vs. Q3 18), EUR 6,518m (-4.2% vs. 9M 18)

When adjusted for the effects of restructuring (activities in the process of being closed or scaled back) and the disposal of Private Banking in Belgium, net banking income was down **-3.2% vs. Q3 18 and -2.0% vs. 9M 18.**

Global Markets & Investor Services' revenues were down -9.2% vs. Q3 18, at EUR 1,191 million. Revenues totalled EUR 3,910 million in 9M 19, down -8.3% vs. 9M 18.

Q3 19 was impacted by the full effect of revenue attrition following the scaling back and discontinuation of certain market activities. When restated for these items, Q3 19 revenues were down -3.8% vs. Q3 18 and -6.6% vs. 9M 18.

At EUR 520 million, the revenues of Fixed Income, Currencies & Commodities were 1.0% higher in Q3 19 than in Q3 18. Rate and Credit activities, as well as Financing activities posted good results in Q3 19, offsetting the impact on revenues of the restructuring in Global Markets.

Equities and Prime Services' revenues were down -20.1% vs. Q3 18 at EUR 505 million, against a backdrop of lower volumes and adverse market conditions, particularly in August.

Securities Services' assets under custody amounted to EUR 4,247 billion at end-September 2019, an increase of EUR 89 billion (+2.1%) vs. end-June 2019. Over the same period, assets under administration were slightly higher at EUR 632 billion. Revenues were slightly higher (+0.6%) in Q3 19 vs. Q3 18 at EUR 166 million.

Financing & Advisory's revenues totalled EUR 604 million in Q3 2019, down -4.4% vs. Q3 2018. When adjusted for the measures to reduce RWA, revenues were 1.9% lower.
Revenues were 5.3% higher in 9M 2019 than in 9M 2018 (+8.5% when restated).

Structured Financing and Transaction Banking posted revenues up +6.8% vs. Q3 18. Asset Financing and Structured Financing continued to enjoy robust commercial activity, with a number of significant transactions. The increase in Transaction Banking earnings reflects the successful implementation of this growth initiative.
Investment Banking revenues were lower than in Q3 18, during which Investment Banking benefited from several major transactions. Corporate Banking revenues were also lower, impacted by the measures implemented to reduce RWA.

Asset and Wealth Management's net banking income totalled EUR 218 million in Q3 19, down -6.8% vs. Q3 18 and -3.0% when adjusted for the sale of the Private Banking activities in Belgium.
Net banking income amounted to EUR 704 million in 9M 2019, down -4.1% vs. 9M 2018, and slightly lower (-1.0%) when adjusted for the sale of the Private Banking activities in Belgium.

At end-September 2019, Private Banking's assets under management were 3.3% higher than in June 2019, at EUR 117 billion. Net banking income was down -10.3% in Q3 19 vs. Q3 18, at EUR 165 million. Inflow remained buoyant in France while the business' revenues were impacted by the sale in Belgium.

Lyxor's assets under management came to EUR 138 billion at end-September 2019, 2.5% higher than in June 2019. Revenues totalled EUR 48 million in Q3 19, up +6.7% vs. Q3 18.

Operating expenses: EUR -1,638m (-4.2% vs. Q3 18), EUR -5,579m (+2.1% vs. 9M 18)

Q3 19: Global Banking & Investor Solutions' operating expenses were down -4.2% vs. Q3 18, reflecting the initial visible cost savings and resulting from the adaptation of the operational set-up and the departures recorded during the quarter.
9M 19: Operating expenses were 2.1% higher than in 9M 18 and include restructuring costs and integration costs in respect of EMC activities.
When restated for these items, operating expenses were down -3.1% vs. 9M 18.

Net cost of risk: EUR -65m (EUR -15m in Q3 18), EUR -140m (write-back in 9M 18)

The net cost of risk remains low: 16 basis points in Q3 19 and 11 basis points in 9M 19.

Contribution to Group net income: EUR 253m (-26.7% vs. Q3 18), EUR 667m (-34.5% vs. 9M 18)

When restated for IFRIC 21 and the restructuring provision, the pillar's RONE stood at 7.7% in 9M 19 (vs. 9.5% in 9M 18).

6. CORPORATE CENTRE

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

Figures for Q3 18 and 9M 18 restated for the implementation of the amendment to IAS 12. See Appendix 1.

The Corporate Centre includes:

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

The Corporate Centre's net banking income totalled EUR -5 million in Q3 19 vs. EUR +311 million in Q3 18 (which included the revaluation of Euroclear securities for EUR +271 million) and EUR -145 million in 9M 19 vs. EUR +369 million in 9M 18.

Operating expenses totalled EUR -61 million in Q3 19 vs. EUR -173 million in Q3 18 (which included an allocation to the provision for disputes of EUR -136 million) and EUR +4 million in 9M 19 vs. EUR -431 million in 9M 18.

Net profits or losses from other assets totalled EUR -115 million and included, with regard to the application of IFRS 5 as part of the implementation of the Group's refocusing plan, an expense amounting to EUR -113 million in respect primarily of the finalisation of the disposals in Q3 19 of Societe Generale Serbia, Mobiasbanca Societe Generale in Moldova and Societe Generale Montenegro.

The Corporate Centre's contribution to Group net income was EUR -223 million in Q3 19 vs. EUR +112 million in Q3 18 and EUR -466 million in 9M 19 vs. EUR -39 million in 9M 18.

7. 2019/2020 FINANCIAL CALENDAR

2019/2020 Financial communication calendar

February 6th, 2020	Fourth quarter and FY 2019 results
May 6th, 2020	First quarter 2020 results
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.

8. APPENDIX 1: FINANCIAL DATA

GROUP NET INCOME AFTER TAX BY CORE BUSINESS

In EUR m	Q3 19	Q3 18	Change	9M 19	9M 18	Change
French Retail Banking	311	320	-2.8%	901	955	-5.7%
International Retail Banking and Financial Services	513	532	-3.6%	1,492	1,502	-0.7%
Global Banking and Investor Solutions	253	345	-26.7%	667	1,018	-34.5%
Core Businesses	1,077	1,197	-10.0%	3,060	3,475	-11.9%
Corporate Centre	(223)	112	n/s	(466)	(39)	n/s
Group	854	1,309	-34.8%	2,594	3,436	-24.5%

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

CONSOLIDATED BALANCE SHEET

(ASSETS - In millions of euros)	30.09.2019	31.12.2018
Central banks	94,942	96,585
Financial assets at fair value through profit or loss	434,042	365,550
Hedging derivatives	22,141	11,899
Financial assets measured at fair value through other comprehensive income	53,484	50,026
Securities at amortised cost	12,193	12,026
Due from banks at amortised cost	63,512	60,588
Customer loans at amortised cost	445,011	447,229
Revaluation differences on portfolios hedged against interest rate risk	617	338
Investment of insurance activities	161,408	146,768
Tax assets	5,396	5,819
Other assets	78,282	67,446
Non-current assets held for sale	5,175	13,502
Investments accounted for using the equity method	259	249
Tangible and intangible assets (1)	29,979	26,751
Goodwill	4,692	4,652
Total	**1,411,133**	**1,309,428**

(1) As a result of the application of IFRS 16 "Leases" as from January 1st, 2019, the Group has recorded a right-of-use asset under "Tangible and intangible assets" that represents its rights to use the underlying leased assets.

(LIABILITIES - In millions of euros)	30.09.2019	31.12.2018
Central banks	5,831	5,721
Financial liabilities at fair value through profit or loss	415,385	363,083
Hedging derivatives	11,921	5,993
Debt securities issued	129,944	116,339
Due to banks	99,372	94,706
Customer deposits	415,051	416,818
Revaluation differences on portfolios hedged against interest rate risk	10,040	5,257
Tax liabilities(1)	1,402	1,157
Other liabilities(2)	89,962	76,629
Non-current liabilities held for sale	4,089	10,454
Liabilities related to insurance activities contracts	140,026	129,543
Provisions	4,569	4,605
Subordinated debts	14,924	13,314
Total liabilities	**1,342,516**	**1,243,619**
SHAREHOLDERS' EQUITY		
Shareholders' equity, Group share		
Issued common stocks, equity instruments and capital reserves	31,109	29,856
Retained earnings*	29,820	28,085
Net income*	2,594	4,121
Sub-total	**63,523**	**62,062**
Unrealised or deferred capital gains and losses	192	(1,036)
Sub-total equity, Group share	**63,715**	**61,026**
Non-controlling interests	4,902	4,783
Total equity	**68,617**	**65,809**
Total	**1,411,133**	**1,309,428**

** The amounts have been restated following the first-time application of an amendment to IAS 12 "Income taxes".*
(1) Since January 1st, 2019, provisions for income tax adjustments are presented under "Tax liabilities" as a consequence of the application of IFRIC 23 "Uncertainty over income tax treatments".
(2) As a result of the application of IFRS 16 "Leases" as from January 1st, 2019, the Group has recorded a lease liability under "Other Liabilities" that represents the obligation to make lease payments.

9. APPENDIX 2: METHODOLOGY

1 - The financial information presented in respect of Q3 and 9M 2019 was examined by the Board of Directors on November 5th, 2019 and has been prepared in accordance with IFRS as adopted in the European Union and applicable at that date. This information has not been audited.

2 – Net banking income

The pillars' net banking income is defined on page 40 of Societe Generale's 2019 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, 2018 (pages 416 et seq. of Societe Generale's 2019 Universal Registration Document). The term "costs" is also used to refer to Operating Expenses.
The Cost/Income Ratio is defined on page 40 of Societe Generale's 2019 Universal Registration Document.

4 – IFRIC 21 adjustment

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

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

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:

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

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

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

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

* Exceptional items

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

The cost of risk or commercial cost of risk is defined on pages 42 and 562 of Societe Generale's 2019 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)	Q3 19	Q3 18	9M 19	9M 18
French Retail Banking	Net Cost Of Risk	95	118	318	346
	Gross loan Outstandings	195,305	186,639	193,208	186,031
	Cost of Risk in bp	**19**	**25**	**22**	**25**
International Retail Banking and Financial Services	Net Cost Of Risk	169	124	430	290
	Gross loan Outstandings	138,493	135,671	135,996	133,350
	Cost of Risk in bp	**49**	**37**	**42**	**29**
Global Banking and Investor Solutions	Net Cost Of Risk	65	16	140	(5)
	Gross loan Outstandings	160,906	156,723	163,310	151,240
	Cost of Risk in bp	**16**	**4**	**11**	**(0)**
Corporate Centre	Net Cost Of Risk	0	6	19	11
	Gross loan Outstandings	9,944	8,100	9,299	7,266
	Cost of Risk in bp	**2**	**29**	**27**	**20**
Societe Generale Group	Net Cost Of Risk	329	264	907	642
	Gross loan Outstandings	504,647	487,133	501,813	477,887
	Cost of Risk in bp	**26**	**22**	**24**	**18**

The gross coverage ratio for doubtful outstandings is calculated as the ratio of provisions recognised in respect of the credit risk to gross outstandings identified as in default within the meaning of the regulations, without taking account of any guarantees provided. This coverage ratio measures the maximum residual risk associated with outstandings in default ("doubtful").

7 – ROE, ROTE, RONE

The notions of ROE (Return on Equity) and ROTE (Return on Tangible Equity), as well as their calculation methodology, are specified on page 42 and 43 of Societe Generale's 2019 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 43 of Societe Generale's 2019 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 overleaf:

ROTE calculation: calculation methodology

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

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

In EUR m	Q3 19	Q3 18	Change	9M 19	9M 18	Change
French Retail Banking	11,321	11,192	+1.2%	11,294	11,229	+0.6%
International Retail Banking and Financial Services	10,946	11,287	-3.0%	11,196	11,411	-1.9%
Global Banking and Investor Solutions	14,739	15,933	-7.5%	15,622	15,238	+2.5%
Core Businesses	37,006	38,412	-3.7%	38,112	37,878	+0.6%
Corporate Centre	14,237	9,916	+43.6%	12,197	9,967	+22.4%
Group	51,243	48,327	+6.0%	50,309	47,845	+5.1%

8 – Net assets and tangible net assets

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

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

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

9 – Calculation of Earnings Per Share (EPS)

The EPS published by Societe Generale is calculated according to the rules defined by the IAS 33 standard (see page 44 of Societe Generale's 2019 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. As specified on page 44 of Societe Generale's 2019 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)	**9M 19**	**H1 19**	**2018**	**9M 18**
Existing shares	**829,235**	**821,189**	**807,918**	**807,918**
Deductions				
Shares allocated to cover stock option plans and free shares awarded to staff	4,087	4,214	5,335	5,231
Other own shares and treasury shares	187	249	842	996
Number of shares used to calculate EPS**	**824,961**	**816,726**	**801,741**	**801,691**
Group net Income	**2,594**	**1,740**	**4,121**	**3,436**
Interest on deeply subordinated notes and undated subordinated notes	(537)	(357)	(719)	(534)
Capital gain net of tax on partial buybacks				
Adjusted Group net income	**2,057**	**1,383**	**3,402**	**2,902**
EPS (in EUR)	**2.49**	**1.69**	**4.24**	**3.62**
Underlying EPS* (in EUR)	**3.24**	**2.42**	**5.00**	**4.22**

** 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 September 30th, 2019, excluding treasury shares and buybacks, but including the trading shares held by the Group.*

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

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.