RESULTS AT JUNE 30TH, 2022

Press release
Paris, August 3rd, 2022

EXCELLENT UNDERLYING PERFORMANCE IN Q2 22 AND H1 22

Q2 2022
Strong revenue growth for all the businesses, up +12.8% vs. Q2 21 (+13.4%*), driven by record levels in several businesses
Good cost control and improvement in the cost to income ratio (**61.8%**(1) excluding contribution to the Single Resolution Fund)
Low cost of risk at 15 basis points, with a limited level of defaults
Effective exit from Russia(2)**: EUR -3.3bn P&L impact before tax and very limited impact on capital**
Underlying Group net income of EUR 1.5 billion (EUR -1.5 billion on a reported basis)
Underlying profitability (ROTE) of 10.5%(1)

H1 2022
Underlying Group net income of EUR 3.1 billion(1) (EUR -640 million on a reported basis), up +16.3% vs. H1 21
Underlying profitability (ROTE) of 10.8%(1)

CAPITAL POSITION

CET 1 ratio of 12.9%(3) **at end-June 2022,** around 360bp over MDA
Launch of the 2021 share buyback programme, for around EUR 915 million
2022 distribution provision of EUR 1.44 per share(4) at end-June 2022

STRENGHTENING OF OUR 2025 ESG TARGETS

Target of EUR 300 billion in sustainable finance for 2022 to 2025
Global Best Bank Transition Strategy (Euromoney Awards for Excellence 2022)

2025 FINANCIAL TARGETS

Revenue growth (above or equal to 3% 2021-2025 CAGR)
Improvement in the cost to income ratio (below or equal 62%)
Expected profitability of 10% (ROTE)
Target CET 1 ratio of 12% post Basel IV
Pay-out policy maintained: 50% of underlying Group net income (with a maximum of 40% of the distribution in the form of a share buy-backs(5)**)**

Fréderic Oudéa, the Group's Chief Executive Officer, commented:
"Q2 2022 concluded two years of intense and disciplined execution of our various strategic projects. We have successfully simplified and strengthened the resilience of our business model, transformed our businesses to support the changing needs of our customers and the far-reaching transformations around digital technologies and ESG, and invested in a targeted manner in businesses with strong growth potential. We combined, in H1 2022, strong growth in revenues and underlying profitability above 10% (ROTE) and we were able to manage our exit from the Russian activities without significant capital impact and without handicapping the Group's strategic developments. These dynamics and performances make us confident regarding both the short term, in an undeniably more uncertain environment, and in the medium term. By 2025, having reaped all the benefits of the numerous strategic and operating efficiency initiatives under way, we confirm our ability to deliver profitability of 10% on the basis of a target core Tier 1 capital ratio of 12%, while maintaining an attractive distribution policy for our shareholders."

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(1) Underlying data (see methodology note No. 5 for the transition from accounting data to underlying data)
(2) Disposal of Rosbank and its Russian subsidiaries
(3) Phased-in ratio (fully-loaded ratio of 12.8%)
(4) On the basis of a distribution of 50% of underlying Group net income after deduction of interest on deeply subordinated notes and undated subordinated notes
(5) After deduction of interest on deeply subordinated notes and undated subordinated notes. Subject to General Meeting of Shareholders and regulatory approval
*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	Q2 22	Q2 21	Change		H1 22	H1 21	Change	
Net banking income	7,065	6,261	+12.8%	+13.4%*	14,346	12,506	+14.7%	+14.8%*
Operating expenses	(4,458)	(4,107)	+8.5%	+9.6%*	(9,787)	(8,855)	+10.5%	+11.2%*
Underlying operating expenses(1)	*(4,590)*	*(4,225)*	*+8.6%*	*+9.6%**	*(8,915)*	*(8,322)*	*+7.1%*	*+7.9%**
Gross operating income	2,607	2,154	+21.0%	+20.7%*	4,559	3,651	+24.9%	+23.3%*
Underlying gross operating income(1)	*2,475*	*2,036*	*+21.6%*	*+21.3%**	*5,431*	*4,184*	*+29.8%*	*+28.4%**
Net cost of risk	(217)	(142)	+52.8%	+52.4%*	(778)	(418)	+86.1%	+23.4%*
Operating income	2,390	2,012	+18.8%	+18.5%*	3,781	3,233	+17.0%	+23.2%*
Underlying operating income(1)	*2,258*	*1,894*	*+19.2%*	*+18.9%**	*4,653*	*3,766*	*+23.6%*	*+29.2%**
Net profits or losses from other assets	(3,292)	5	n/s	n/s	(3,290)	11	n/s	n/s
Net income from companies accounted for by the equity method	4	2	+100.0%	+100.0%*	4	5	-20.0%	-20.0%*
Income tax	(327)	(404)	-19.0%	-19.0%*	(680)	(687)	-1.0%	+48.7%*
Net income	(1,225)	1,615	n/s	n/s	(185)	2,562	n/s	n/s
O.w. non-controlling interests	257	176	+46.0%	+43.6%*	455	309	+47.2%	+45.7%*
Reported Group net income	(1,482)	1,439	n/s	n/s	(640)	2,253	n/s	n/s
Underlying Group net income(1)	*1,505*	*1,349*	*+11.5%*	*+11.0%**	*3,079*	*2,647*	*+16.3%*	*+11.1%**
ROE	-12.0%	9.8%			-3.4%	7.5%		
ROTE	-13.5%	11.2%			-3.8%	8.6%		
Underlying ROTE(1)	*10.5%*	*10.4%*			*10.8%*	*10.2%*		

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

Societe Generale's Board of Directors, which met on August 2nd, 2022 under the chairmanship of Lorenzo Bini Smaghi, examined the Societe Generale Group's results for Q2 and H1 2022.

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

On May 18th, 2022, the Group withdrew in an orderly and effective manner from Russia with the finalisation of the disposal of Rosbank and its insurance subsidiaries in Russia. This disposal results in the accounting of a loss in income statement of EUR 3.3 billion before tax, largely absorbed this semester with Group net income share at EUR -640 million. Despite a residual capital impact of -7 basis points over the quarter, the phased in CET 1 ratio remained stable at 12.9% at the end-June 2022.

Net banking income

Net banking income was substantially higher in Q2 22, up +12.8% (+13.4%*) vs. Q2 21, driven by an excellent performance by all the businesses.

The healthy momentum continued in French Retail Banking, with an increase in net banking income of +8.5% vs. Q2 21 reflecting notably a good commercial momentum, a high level of service fees and a record performance in Private Banking.

International Retail Banking & Financial Services enjoyed strong revenue growth (+21.4%* vs. Q2 21), driven by a record quarter for ALD and International Retail Banking. As a result, International Retail Banking saw its activities grow +12.7%* vs. Q2 21. Financial Services' net banking income was substantially higher (+45.1%* vs. Q2 21) while Insurance net banking income rose +7.9%* vs. Q2 21.

Global Banking & Investor Solutions once again delivered an excellent performance, with revenues up +18.3% (+16.1%*) vs. Q2 21. Global Markets & Investor Services was substantially higher (+25.3%, +19.8%*) than in Q2 21 while Financing & Advisory activities were at a record level, up +14.0% (+9.1%*) vs. Q2 21.

In H1 22, the Group posted strong revenue growth of +14.7% (+14.8%*) vs. H1 21, with growth in all the businesses.

Operating expenses

In Q2 22, operating expenses totalled EUR 4,458 million on a reported basis and EUR 4,590 million on an underlying basis (restated for transformation costs and the linearisation of IFRIC 21), an increase of +8.6% vs. Q2 21.

In H1 22, underlying operating expenses were up +7.1% vs. H1 21 at EUR 8,915 million on an underlying basis (EUR 9,787 million on a reported basis). This rise can be explained primarily by the higher contribution to the Single Resolution Fund (EUR +138 million), the increase in variable remuneration linked to the growth in revenues and the Global Employee Share Ownership Plan (EUR +152 million). The increase in other expenses therefore amounts to EUR +303 million, representing a rise of +3.5% vs. H1 21.

Driven by a very positive jaws effect, underlying gross operating income grew substantially in Q2 2022 (+21.6%) to EUR 2,475 million and the underlying cost to income ratio, excluding the Single Resolution Fund, improved by more than 3 points (61.8% vs. 65.1% in Q2 21).

In H1 2022, underlying gross operating income enjoyed a strong growth momentum, up +29.8% vs. H1 21 at EUR 5,431 million.

The Group now expects an underlying cost to income ratio excluding the Single Resolution Fund of between 64% and 66% in 2022.

Cost of risk

The cost of risk stood at a low level of 15 basis points in Q2 22, or EUR 217 million, lower than in Q1 22 which included the cost of risk of the Russian activities sold (39 basis points). It breaks down into a limited provision on non-performing loans of EUR 156 million and an additional provision on performing loans of EUR 61 million.

In H1 2022, the cost of risk amounted to 27 basis points.

Offshore exposure to Russia was reduced to EUR 2.6 billion of EAD (*Exposure At Default)* at June 30th, 2022. Exposure at risk on this portfolio is estimated at less than EUR 1 billion. The total associated provisions were EUR 377 million at end-June 2022.

Moreover, at end-June 2022, the Group's residual exposure in relation to Rosbank amounted to less than EUR 0.5 billion of EAD, corresponding mainly to guarantees and letters of credit that were recognised under intra-group exposure before the disposal of Rosbank.

The Group's provisions on performing loans amounted to EUR 3,409 million at end-June, an increase of EUR 54 million vs. end-December 2021.

The non-performing loans ratio amounted to 2.8%(1) at June 30th, 2022, lower than at end-March 2022 (2.9%). The Group's gross coverage ratio for doubtful outstandings was higher at 50%(2) at June 30th, 2022.

The cost of risk is still expected to be between 30 and 35 basis points in 2022.

(1) NPL ratio calculated according to the EBA methodology published on July 16th, 2019

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

Group net income

In EURm	Q2 22	Q2 21	H1 22	H1 21
Reported Group net income	(1,482)	1,439	(640)	2,253
Underlying Group net income[1]	1,505	1,349	3,079	2,647

In %	Q2 22	Q2 21	H1 22	H1 21
ROTE	-13.5%	11.2%	-3.8%	8.6%
Underlying ROTE[1]	10.5%	10.4%	10.8%	10.2%

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

Earnings per share amounts to EUR -1.10 in H1 22 (EUR 2.29 in H1 21). Underlying earnings per share amounts to EUR 2.87 over the same period (EUR 2.40 in H1 21).

2. THE GROUP'S FINANCIAL STRUCTURE

Group **shareholders' equity** totalled EUR 64.6 billion at June 30th, 2022 (EUR 65.1 billion at December 31st, 2021). Net asset value per share was EUR 67.0 and tangible net asset value per share was EUR 59.4.

The consolidated balance sheet totalled EUR 1,539 billion at June 30th, 2022 (EUR 1,464 billion at December 31st, 2021). The net amount of customer loan outstandings at June 30th, 2022, including lease financing, was EUR 498 billion (EUR 488 billion at December 31st, 2021) – excluding assets and securities purchased under resale agreements. At the same time, customer deposits amounted to EUR 512 billion, vs. EUR 502 billion at December 31st, 2021 (excluding assets and securities sold under repurchase agreements).

At July 18th, 2022, the parent company had issued EUR 33.7 billion of medium/long-term debt, having an average maturity of 5.2 years and an average spread of 54 basis points (vs. the 6-month midswap, excluding subordinated debt). The subsidiaries had issued EUR 1.2 billion. In total, the Group had issued EUR 34.9 billion of medium/long-term debt.

The LCR (Liquidity Coverage Ratio) was well above regulatory requirements at 140% at end-June 2022 (141% on average in Q2), vs. 129% at end-December 2021. At the same time, the NSFR (Net Stable Funding Ratio) was at a level of 112% at end-June 2022.

The Group's **risk-weighted assets** (RWA) amounted to EUR 367.6 billion at June 30th, 2022 (vs. EUR 363.4 billion at end-December 2021) according to CRR2/CRD5 rules. Risk-weighted assets in respect of credit risk represent 84% of the total, at EUR 309 billion, up 1.3% vs. December 31st, 2021.

At June 30th, 2022, the Group's **Common Equity Tier** 1 ratio stood at 12.9%, or around 360 basis points over MDA. The CET1 ratio at June 30th, 2022 includes an effect of +9 basis points for phasing of the IFRS 9 impact. Excluding this effect, the fully-loaded ratio amounts to 12.8%. The Tier 1 ratio stood at 15.2% at end-June 2022 (15.9% at end-December 2021) and the total capital ratio amounted to 18.5% (18.8% at end-December 2021).

The **leverage ratio** stood at 4.1% at June 30th, 2022 (4.9% at end-December 2021) due primarily to the end of the European Central Bank's transitional measures.

With a level of 31.7 % of RWA and 8.4% of leverage exposure at end-June 2022, the Group's TLAC ratio is above the Financial Stability Board's requirements for 2022. At June 30th, 2022, the Group was also above its 2022 MREL requirements of 25.2% of RWA and 5.91% of leverage exposure.

The Group is rated by four rating agencies: (i) Fitch Ratings - long-term rating "A-", stable rating, 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".

3. FRENCH RETAIL BANKING

In EURm	Q2 22	Q2 21	Change	H1 22	H1 21	Change
Net banking income	2,256	2,080	+8.5%	4,444	4,103	+8.3%
Net banking income excl. PEL/CEL	*2,185*	*2,063*	*+5.9%*	*4,350*	*4,098*	*+6.1%*
Operating expenses	(1,513)	(1,447)	+4.6%	(3,233)	(3,058)	+5.7%
Underlying operating expenses(1)	*(1,571)*	*(1,489)*	*+5.5%*	*(3,120)*	*(2,972)*	*+5.0%*
Gross operating income	743	633	+17.4%	1,211	1,045	+15.9%
Underlying gross operating income(1)	*614*	*574*	*+7.0%*	*1,230*	*1,126*	*+9.2%*
Net cost of risk	(21)	(8)	x 2,6	(68)	(137)	-50.4%
Operating income	722	625	+15.5%	1,143	908	+25.9%
Net profits or losses from other assets	3	1	x 3,0	3	4	-25.0%
Reported Group net income	539	454	+18.7%	852	666	+27.9%
Underlying Group net income(1)	*444*	*412*	*+7.6%*	*866*	*724*	*+19.5%*
RONE	17.5%	15.0%		14.1%	11.0%	
Underlying RONE(1)	*14.4%*	*13.6%*		*14.4%*	*11.9%*	

(1) Adjusted for the linearisation of IFRIC 21 and PEL/CEL provision
NB: including Private Banking activities as per Q1 22 restatement (France and international), includes other businesses transferred following the disposal of Lyxor

Societe Generale and Crédit du Nord networks

Average loan outstandings were 3% higher than in Q2 21 at EUR 214 billion. Home loan outstandings rose +4% vs. Q2 21. Medium/long-term loan production for corporate and professional customers was 42% higher than in Q2 21, with the progressive amortisation of State Guaranteed Loans.

Average outstanding balance sheet deposits including BMTN (negotiable medium-term notes) continued to rise (+4% vs. Q2 21) to EUR 243 billion.

As a result, the average loan/deposit ratio stood at 88% in Q2 22 vs. 89% in Q2 21.

Life insurance assets under management[2] totalled EUR 110 billion at end-June 2022, up +1% year-on-year. Gross life insurance inflow amounted to EUR 2.2 billion in Q2 22, with the unit-linked share accounting for 34%.

Property/casualty insurance premiums and personal protection insurance premiums were up +4% vs. Q2 21.

Boursorama

The bank consolidated its position as the leading online bank in France, with nearly 4 million clients at end-June 2022 (+35% vs. Q2 21), thanks to the onboarding of 357,000 new clients in Q2 22 (x2.1 vs. Q2 21). The transfer of ING's client base led to the acquisition of around 134,000 new clients during the quarter.

Average outstanding loans rose +28% vs. Q2 21 to EUR 15 billion. Home loan outstandings were up +27% vs. Q2 21, while consumer loan outstandings climbed +32% vs. Q2 21.

Average outstanding savings including deposits and financial savings were 19% higher than in Q2 21 at EUR 39 billion, while outstanding deposits were up +31% vs. Q2 21. Brokerage recorded more than 1.5 million transactions in Q2 22.

(2) Total life insurance outstandings after the integration of Private Banking in Q1 22

The ING customer referral process is progressing as expected. At July 22nd, the customer acquisition rate was 50% or around 250,000 ING customers out of the 500,000 eligible customers. The outstandings collected totalled around EUR 7 billion, including primarily life insurance outstandings. The exclusive offering reserved for ING customers is set to end in September.

Private Banking

Private Banking activities, which were transferred to French Retail Banking at the beginning of 2022, cover the activities in France and internationally as well as the other activities transferred at the time of the disposal of Lyxor. The business enjoyed strong commercial activity. Assets under management totalled EUR 147 billion, up +0.4% vs. Q2 21. Net inflow was buoyant at EUR 2.6 billion in Q2 22, despite the volatility of the financial markets. Net banking income was therefore at a record level of EUR 334 million in Q2 22, up +23.7% vs. Q2 21.

Net banking income excluding PEL/CEL

Q2 22: revenues totalled EUR 2,256 million, up +5.9% vs. Q2 21, when restated for the PEL/CEL provision. Net interest income, excluding PEL/CEL, and other revenues was up +5.0% vs. Q2 21, underpinned by good commercial activity and revaluations of assets held in the portfolio in a buoyant environment, and despite the impact of the rate on the Livret A passbook savings account and still negative rates. Fees increased by +7.1% vs. Q2 21, driven by the good performance of service fees.

H1 22: revenues totalled EUR 4,444 million, up +6.1% vs. H1 21, when restated for the PEL/CEL provision. Net interest income, excluding PEL/CEL and other revenues, was up +5.4% vs. H1 21. Fees were 7.0% higher than in H1 21.

Operating expenses

Q2 22: operating expenses totalled EUR 1,513 million (+4.6% vs. Q2 21) and EUR 1,571 million on an underlying basis (+5.5% vs. Q2 21). The cost to income ratio stood at 67%, an improvement of 2.5 points vs. Q2 21. The business posted a positive jaws effect.

H1 22: operating expenses totalled EUR 3,233 million (+5.7% vs. H1 21). The cost to income ratio stood at 73%, an improvement of 1.8 points vs. H1 21.

Cost of risk

Q2 22: the commercial cost of risk amounted to EUR 21 million or 3 basis points, higher than in Q2 21 (1 basis point). The cost of risk was lower than in Q1 22, when it stood at 8 basis points.

H1 22: the commercial cost of risk amounted to EUR 68 million or 6 basis points, lower than in H1 21 (12 basis points).

Contribution to Group net income

Q2 22: the contribution to Group net income was EUR 539 million in Q2 22, up +18.7% vs. Q2 21 (EUR 454 million in Q2 21). RONE (after linearisation of the IFRIC 21 charge and restated for the PEL/CEL provision) stood at 14.4% in Q2 22 (18.3% excluding Boursorama).

H1 22: the contribution to Group net income was EUR 852 million, up +27.9% vs. H1 21. RONE (after linearisation of the IFRIC 21 charge and restated for the PEL/CEL provision) stood at 14.4% in H1 22 (11.9% in H1 21).

4. INTERNATIONAL RETAIL BANKING & FINANCIAL SERVICES

In EURm	Q2 22	Q2 21	Change		H1 22	H1 21	Change	
Net banking income	2,304	1,989	*+15.8%*	*+21.4%**	4,527	3,851	*+17.6%*	*+20.4%**
Operating expenses	(1,045)	(1,011)	*+3.4%*	*+9.5%**	(2,228)	(2,100)	*+6.1%*	*+9.0%**
Underlying operating expenses(1)	*(1,075)*	*(1,035)*	*+3.9%*	*+9.9%**	*(2,167)*	*(2,052)*	*+5.6%*	*+8.5%**
Gross operating income	1,259	978	*+28.7%*	*+33.5%**	2,299	1,751	*+31.3%*	*+33.9%**
Underlying gross operating income(1)	*1,229*	*954*	*+28.8%*	*+33.7%**	*2,360*	*1,799*	*+31.2%*	*+33.8%**
Net cost of risk	(97)	(121)	*-19.8%*	*-19.6%**	(422)	(263)	*+60.5%*	*-11.2%**
Operating income	1,162	857	*+35.6%*	*+41.2%**	1,877	1,488	*+26.1%*	*+51.2%**
Net profits or losses from other assets	8	4	*+100.0%*	*+98.2%**	10	6	*+66.7%*	*+65.3%**
Reported Group net income	694	522	*+33.0%*	*+40.1%**	1,094	914	*+19.7%*	*+39.9%**
Underlying Group net income(1)	*676*	*508*	*+33.2%*	*+40.6%**	*1,130*	*942*	*+20.0%*	*+39.5%**
RONE	26.3%	20.6%			20.3%	18.2%		
Underlying RONE(1)	*25.6%*	*20.0%*			*20.9%*	*18.7%*		

(1) Adjusted for the linearisation of IFRIC 21

International Retail Banking's outstanding loans totalled EUR 85.0 billion, up +5.1%* vs. Q2 21. Outstanding deposits increased by +3.2%* vs. Q2 21, to EUR 80.1 billion.

For the Europe scope, outstanding loans were up +6.2%* vs. end-June 2021 at EUR 61.5 billion, driven by a positive momentum in all the regions: +9.1%* in the Czech Republic, +8.9%* in Romania, and +1.8%* in Western Europe. Outstanding deposits rose +2.6%* to EUR 54.2 billion.

In Africa, Mediterranean Basin and French Overseas Territories, outstanding loans increased by +2.3%* when adjusted for changes in Group structure and at constant exchange rates. Outstanding deposits continued to enjoy a healthy momentum, up +4.4%*.

In the Insurance business, the life insurance savings business remained at a high level, with outstandings of EUR 131 billion at end-June 2022 and a unit-linked share of 35%, stable vs. June 2021. Gross life insurance savings inflow increased by +0.3%* in Q2 22 vs. Q2 21, with a substantial share of unit-linked products (44%). Protection insurance saw an increase of +7%* vs. Q2 21, with a healthy momentum in all geographical regions for property/casualty insurance premiums, which were up +7%*.

Financial Services also enjoyed a very good momentum. Operational Vehicle Leasing and Fleet Management posted record net banking income, up +54%*, due to the business' good performance and continued very strong demand for used cars. The number of contracts totalled 1.8 million, including 1.4 million financed vehicles, an increase of +5.4% vs. end-June 2021. Equipment Finance outstanding loans were 1.1% higher than at end-June 2021, at EUR 14.5 billion (excluding factoring).

Net banking income

Net banking income amounted to EUR 2,304 million in Q2 22, up +21.4%* vs. Q2 21.

International Retail Banking's net banking income totalled EUR 1,270 million in Q2 22, an increase of +12.7%*.

Revenues in Europe climbed +17.2%* vs. Q2 21, due primarily to substantial growth in net interest income (+21%* vs. Q2 21), particularly in the Czech Republic (+48%* vs. Q2 21), as a result of the rise in rates.

The Africa, Mediterranean Basin and French Overseas Territories scope posted revenues up +6.4%* vs. Q2 21 at EUR 481 million, driven by all the businesses.

Insurance posted net banking income up +7.9%* vs. Q2 21, at EUR 252 million.

Financial Services' net banking income was substantially higher (+45.1%*) than in Q2 21, at EUR 782 million. This performance is due primarily at ALD level to good commercial dynamics, the increase in the used car sale result (EUR 3,212 per vehicle in H1 22), a depreciation adjustment and, to a lesser extent, the transfer to hyperinflation accounting for activities in Turkey.

Operating expenses

Operating expenses rose +9.5%* on a reported basis vs. Q2 21 to EUR 1,045 million, resulting in a substantial positive jaws effect. The cost to income ratio (after linearisation of the IFRIC 21 charge) stood at 46.7% in Q2 22, lower than in Q2 21 (52.0%).

In International Retail Banking, operating expenses were 5.1%* higher than in Q2 21.

In the **Insurance** business, operating expenses rose +6.3%* vs. Q2 21, with a cost to income ratio (after linearisation of the IFRIC 21 charge) of 39.5%.

In **Financial Services**, operating expenses increased by +22.4%* vs. Q2 21, generating a very positive jaws effect.

Cost of risk

In Q2 22, the cost of risk was substantially lower at 28 basis points (or EUR 97 million), vs. 92 basis points in Q1 22. It was lower than in Q2 21 (37 basis points). This significant improvement, both sequential and year-on-year, is due to the low level of defaults but also the disposal by the Group of its banking and insurance activities in Russia.

Contribution to Group net income

The contribution to Group net income totalled EUR 694 million in Q2 22, substantially higher (+40.1%*) than in Q2 21.

Underlying RONE stood at 25.6% in Q2 22 (vs. 20.0% in Q2 21) and around 26.4% pro forma for the Russian activities sold. In International Retail Banking, underlying RONE was 19.1% (around 20.2% pro forma for the Russian activities sold) and 32.7% in Financial Services and Insurance.

5. GLOBAL BANKING & INVESTOR SOLUTIONS

In EURm	Q2 22	Q2 21	Variation		H1 22	H1 21	Variation	
Net banking income	2,563	2,166	+18.3%	+16.1%*	5,318	4,499	+18.2%	+16.5%*
Operating expenses	(1,565)	(1,498)	+4.5%	+3.4%*	(3,737)	(3,391)	+10.2%	+10.3%*
Underlying operating expenses(1)	*(1,755)*	*(1,623)*	*+8.1%*	*+7.1%**	*(3,366)*	*(3,149)*	*+6.9%*	*+7.0%**
Gross operating income	998	668	+49.4%	+43.8%*	1,581	1,108	+42.7%	+34.3%*
Underlying gross operating income(1)	*808*	*543*	*+48.9%*	*+42.1%**	*1,952*	*1,350*	*+44.6%*	*+37.5%**
Net cost of risk	(69)	(15)	x 4.6	x 4.2*	(263)	(18)	x 14.6	x 14.2*
Operating income	929	653	+42.3%	+37.1%*	1,318	1,090	+20.9%	+13.7%*
Reported Group net income	742	506	+46.6%	+41.2%*	1,044	853	+22.4%	+15.2%*
Underlying Group net income(1)	*596*	*410*	*+45.3%*	*+38.6%**	*1,329*	*1,039*	*+27.9%*	*+21.7%**
RONE	20.3%	14.9%			14.5%	12.6%		
Underlying RONE(1)	*16.3%*	*12.1%*			*18.5%*	*15.4%*		

(1) Adjusted for the linearisation of IFRIC 21
NB: excluding Private Banking activities as per Q1 22 restatement (France and International). Excludes businesses transferred following the disposal of Lyxor

Net banking income

Global Banking & Investor Solutions delivered a very solid performance in Q2, with revenues of EUR 2,563 million, significantly higher (+18.3%) than in Q2 21.

In H1 22, revenues rose +18.2% vs. H1 21 (EUR 5,318 million vs. EUR 4,499 million, +16.5%*).

In Global Markets & Investor Services, net banking income totalled EUR 1,742 million in Q2 22 (+25.3% vs. Q2 21). It amounted to EUR 3,707 million in H1 22, up +21.9% vs. H1 21 (+17.3%*).

Global Markets turned in a strong performance in Q2 22 (EUR 1,516 million), up +23.3% vs. Q2 21, benefiting from dynamic commercial activity in all the businesses and regions in a volatile environment. Revenues were higher in H1 22 (+21.7%) than in H1 21 at EUR 3,293 million.

The Equity activity enjoyed an excellent quarter (EUR 833 million, +7.5% vs. Q2 21), driven by strong client demand, particularly in equity derivatives and prime services. Revenues were up +13.8% in H1 22 vs. H1 21 at EUR 1,843 million.

Fixed Income & Currency activities posted substantially higher revenues (+50% vs. Q2 21) at EUR 683 million in an environment of rising rates. Revenues increased to EUR 1,450 million in H1 22 (+33.6% vs. H1 21).

Securities Services posted a significant increase in revenues in Q2 (+41.0% vs. Q2 21), to EUR 226 million. Revenues were up +23.6% in H1 22 vs. H1 21 at EUR 414 million. Securities Services' assets under custody and assets under administration amounted to EUR 4,277 billion and EUR 627 billion respectively.

Financing & Advisory posted revenues of EUR 821 million, up +14.0% vs. Q2 21. They amounted to EUR 1,611 million in H1 22, significantly higher (+18.9%) than in H1 21.

The Global Banking & Advisory business, up +11.1% vs. Q2 21, capitalised on the good market momentum, particularly in activities related to Natural Resources and Infrastructure. These performances were also driven by the strategy focused on Environmental, Social and global Governance criteria. The Asset-Backed Products platform enjoyed strong growth in Q2. Investment Banking was resilient in Q2, despite a decline in capital markets given the uncertainty related to the war in Ukraine and inflationary pressures.

Global Transaction and Payment Services continued to experience very high growth, up +29.1% vs. Q2 21, primarily on the back of the increase in rates and volumes.

Operating expenses

Operating expenses totalled EUR 1,565 million in Q2 22, an increase of +4.5% vs. Q2 21 on a reported basis, and +8.1% on an underlying basis. The increase on an underlying basis can be explained primarily by the rise of EUR 65 million in linearised IFRIC 21 charges in Q2.

With a substantial positive jaws effect, the underlying cost to income ratio excluding the contribution to the Single Resolution Fund improved significantly to 62.2%.

Operating expenses were up +10.2% on a reported basis and +6.9% on an underlying basis in H1 22.

Cost of risk

The cost of risk amounted to 16 basis points (or EUR 69 million) in Q2 22, with cost of risk amounting to EUR 108 million on the Russian offshore portfolio.

It stood at 30 basis points (or EUR 263 million) in H1 22 given the provisioning on the Russian offshore portfolio (EUR 260 million).

Contribution to Group net income

The contribution to Group net income was EUR 742 million on a reported basis and EUR 596 million on an underlying basis in Q2 22 (+45.3% vs. Q2 21). It was EUR 1,044 million on a reported basis and EUR 1,329 million on an underlying basis in H1 22.

Global Banking & Investor Solutions posted a substantial underlying RONE of 16.3% in Q2 22, a significant improvement compared with the RONE of 12.1% in Q2 21. RONE stood at 20.6% excluding the contribution to the Single Resolution Fund. The underlying RONE was 18.5% in H1 22 vs. 15.4% in H1 21.

6. CORPORATE CENTRE

In EURm	Q2 22	Q2 21	H1 22	H1 21
Net banking income	(58)	26	57	53
Operating expenses	(335)	(151)	(589)	(306)
Underlying operating expenses[(1)]	*(189)*	*(78)*	*(262)*	*(149)*
Gross operating income	(393)	(125)	(532)	(253)
Underlying gross operating income[(1)]	*(247)*	*(52)*	*(205)*	*(96)*
Net cost of risk	(30)	2	(25)	-
Net profits or losses from other assets	(3,303)	-	(3,303)	1
Income tax	321	124	333	160
Reported Group net income	(3,457)	(43)	(3,630)	(180)
Underlying Group net income[(1)]	*(264)*	*7*	*(315)*	*(62)*

(1) Adjusted for the linearisation of IFRIC 21

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 as well as certain costs incurred by the Group not re-invoiced to the businesses.

The Corporate Centre's net banking income totalled EUR -58 million in Q2 22 vs. EUR +26 million in Q2 21, and EUR +57 million in H1 22 vs. EUR +53 million in H1 21.

Operating expenses totalled EUR 335 million in Q2 22 vs. EUR 151 million in Q2 21. They include the Group's transformation costs for a total amount of EUR 159 million relating to the activities of French Retail Banking (EUR 97 million), Global Banking & Investor Solutions (EUR 25 million) and the Corporate Centre (EUR 37 million). Underlying costs came to EUR 189 million in Q2 22 compared to EUR 78 million in Q2 21. They were impacted in particular by the costs related to the Global Employee Share Ownership Plan for EUR 44 million.

In H1 22, operating expenses totalled EUR 589 million vs. EUR 306 million in H1 21. Transformation costs totalled EUR 302 million (EUR 201 million for the activities of French Retail Banking, EUR 39 million for Global Banking & Investor Solutions and EUR 62 million for the Corporate Centre). Underlying costs came to EUR 262 million in H1 22 compared to EUR 149 million in H1 21.

Gross operating income totalled EUR -393 million in Q2 22 vs. EUR -125 million in Q2 21. Underlying gross operating income came to EUR -247 million in Q2 22 vs. EUR -52 million in Q2 21. In H1 22, gross operating income was EUR -532 million on a reported basis (vs. EUR -253 million in H1 21) and EUR -205 million on an underlying basis (vs. EUR -96 million in H1 21).

The book loss related to the disposal of Rosbank and the insurance activities in Russia is recognised under net losses from other assets for an amount of around **EUR -3.3 billion** before tax in Q2 22.

The Corporate Centre's contribution to Group net income was EUR -3,457 million in Q2 22 vs. EUR -43 million in Q2 21. The Corporate Centre's contribution to Group net income on an underlying basis was EUR -264 million. In H1 22, the contribution to Group net income was EUR -3,630 million on a reported basis and EUR -315 million on an underlying basis.

7. OUTLOOK FOR 2025

After two years of profitable growth during which the Group simplified its business model, undertook far-reaching transformations in accordance with societal changes and invested in its businesses experiencing profitable growth, the Group intends to pursue the execution of its roadmap in a disciplined manner, and is aiming for profitability (ROTE) of 10% and a CET 1 ratio of 12% in 2025. While supporting the growth of its businesses, the Group plans an attractive shareholder distribution of 50% of Group net income(1) of which up to 40% of the distribution in share buy-backs(2).

Based on our diversified, balanced and integrated business model, and on our corporate purpose, Societe Generale aims to be the preferred bank of its customers, a leader in sustainable finance, and a resolutely digital company focused on the efficient and responsible use of data.

ESG issues at the heart of the business model of the Group and its businesses

Societe Generale's ESG ambition is centred on four priorities: supporting customers in their ecological transition, initiating positive transformations locally, being a responsible employer and maintaining a culture of responsibility.

In addition to the acceleration of our sustainable financing targets, increased to EUR 300 billion by 2025, the Group's ESG ambition is also based on a vast training plan for all the Group's employees and proactive support for all customers, large corporates as well as SME, professional and individual customers. Furthermore, the Group is aiming to reduce its CO2 emissions by around 50% between 2019 and 2030.

Acceleration of digital and technological transformation

The Group wants to accelerate on the digital and technological aspect throughout the value chain. It already has a secure, resilient, and modern IT infrastructure. Our IT strategy aims to better serve our customers in terms of digital offering and customer experience and to continue to increase our efficiency and reactivity. In this respect, the Group is aiming for an IT intensity ratio of between 14% and 15% in 2025.

The Group also wants to build the bank of the future by innovating, through partnerships with start-ups and the development of new, differentiating and value-creating business models. It has already demonstrated its ability to develop and create new business models such as Boursorama.

Execution of strategic initiatives

The Group's roadmap is essentially based on the strategic initiatives presented to the market over the last few quarters by different businesses and is structured around three pillars: Retail Banking and Insurance, Global Banking & Investor Solutions and Mobility.

In French Retail Banking & Private Banking, the merger of the Societe Generale and Crédit du Nord networks aims to create a new reference bank, rooted in the regions, and fully adapted to the new economic and societal paradigms. This new bank, larger and more coherent, will benefit from an upgrade to increase the customer value proposition, accelerate digitalisation, and improve efficiency. Based on the quality and know-how of the franchises, French Retail Banking intends to accelerate the bancassurance model, extend Private Banking's expertise to high-net-worth clients and develop the mobility and ESG offering. This strategy aims to position the bank among the top 3 banks in terms of customer satisfaction, with a cost to income ratio of between 67% and 69% and profitability (RONE) of 10%.

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(1) After deduction of interest on deeply subordinated notes and undated subordinated notes
(2) Subject to General Meeting of Shareholders and regulatory approval

In recent years, **Boursorama** has demonstrated the quality of its business model, capable of generating strong growth by benefiting from substantial economies of scale. The number of products per customer has also grown signficantly over the period. The Group wants to take Boursorama to maturity and establish it as the definitive leader in online banking in France. Boursorama is aiming for net income of around EUR 200 million and profitability (RONE) above 25% under the IRBA in 2025.

The Group is pursuing its ambition of profitable growth in **International Retail Banking** by strengthening its leadership positions in its core geographical regions and capitalising on its strong franchises particularly in the corporate market. The Group is aiming for a cost to income ratio of between 50% and 52% in 2025 and profitability (RONE) above 16% in 2025.

In Insurance, the Group wants to strengthen its bancassurance model by capitalising on its leadership positions in life insurance and enhancing its offering in protection insurance with a strong ESG focus. The strengthening of retirement savings and partnerships are also strategic and differentiating areas of development between now and 2025. Insurance intends to achieve a cost to income ratio of around 40% and profitability (RONE) above 25% under IFRS4.

Mobility becomes the Group's third pillar with the creation of a major global player resulting from ALD's acquisition of LeasePlan. It represents a key development area for the Group, with estimated annual growth in the fleet of more than 6% following the integration of LeasePlan, a cost to income ratio of around 45%(1) and a RONE above 20% in 2025.

In line with the strategic plan presented in May 2021, **Global Banking & Investor Solutions** maintains its ambition to be a major European player with the support of a diversified and resilient business model. It is aiming for a cost to income ratio of between 65% and 68% and profitability (RONE) of between 12% and 14% in 2025.

Global Markets & Investor Services is pursuing the strategy initiated in 2021 regarding diversifying, rebalancing activities, and innovation, particularly in ESG and digital technology, in order to consolidate its positions and seize market opportunities. Risk appetite is set to remain stable over the period in accordance with the objective of ensuring greater resilience and predictability of performance. Global Markets' revenues are expected to be within a range of between EUR 4.7 and 5.3 billion.

Financing & Advisory is a key development area for the Group, with a target of average annual revenue growth of around 3% over the period 2021-2025. The strengthening of the franchises and the diversification of capital allocation towards the most dynamic sectors, customer segments or geographical regions remains a priority (Technology, Media and Telecoms, healthcare, and renewable energies) in the same way as accelerating the dissemination of ESG throughout the business. The Group is also continuing with its investment towards a more integrated, modular, and open platform in the Global Transaction and Payment businesses.

2025 financial targets

Through the execution of strategic initiatives, the selective allocation of capital to the most profitable and fast-growing businesses, and a focus on advisory and fee-generating activities, the Group is aiming for average annual revenue growth above or equal to 3% over the 2021-2025 period based on the lower end of the expected revenue range in Global Markets.

Thanks to the completion of the cost-cutting plans undertaken, the end of the Single Resolution Fund constitution phase and continued strict discipline, the increase in costs is expected to be lower than expected average inflation over the period. On these bases and on the back of revenue growth, the Group is aiming for a cost to income ratio below or equal to 62% in 2025.

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(1) Calculated at ALD level: Total of operating expenses/gross margin (excluding the used car sale (UCS) result)

Moreover, the cost of risk is expected to be at a normalised level of around 30 basis points in 2025.

In the case of the CET1 ratio, the Group is aiming for a level of 12% in 2025, after taking into account in particular a capital impact from the finalisation of Basel III estimated at around 120 basis points on a fully loaded basis, excluding output floor (or 100 basis points in 2025, taking into account the phase-in), and an attractive shareholder distribution policy.

As a result, the Group's profitability (ROTE) is expected to be 10% in 2025.

8. 2022 FINANCIAL CALENDAR

2022 and 2023 Financial communication calendar	
November 4th, 2022	Third quarter and nine-month 2022 results
February 8th, 2023	Fourth quarter and FY 2022 results
May 12th, 2023	First quarter 2023 results

The Alternative Performance Measures, notably the notions of net banking income for the pillars, operating expenses, IFRIC 21 adjustment, 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, in particular in the Covid-19 crisis and Ukraine war context, 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 section "Risk Factors" in our Universal 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 BY CORE BUSINESS

In EURm	Q2 22	Q2 21	Variation	H1 22	H1 21	Variation
French Retail Banking	539	454	+18.7%	852	666	+27.9%
International Retail Banking and Financial Services	694	522	+33.0%	1,094	914	+19.7%
Global Banking and Investor Solutions	742	506	+46.6%	1,044	853	+22.4%
Core Businesses	**1,975**	**1,482**	**+33.3%**	**2,990**	**2,433**	**+22.9%**
Corporate Centre	(3,457)	(43)	n/s	(3,630)	(180)	n/s
Group	**(1,482)**	**1,439**	**n/s**	**(640)**	**2,253**	**n/s**

NB: Amounts restated in Q1 22 to take into account the transfer of Private Banking activities (French and international) to the French Retail Banking. Includes other activities transferred after the disposal of Lyxor

CONSOLIDATED BALANCE SHEET

In EUR m	30.06.2022	31.12.2021
Cash, due from central banks	183,203	179,969
Financial assets at fair value through profit or loss	380,165	342,714
Hedging derivatives	21,851	13,239
Financial assets at fair value through other comprehensive income	42,561	43,450
Securities at amortised cost	19,376	19,371
Due from banks at amortised cost	82,594	55,972
Customer loans at amortised cost	503,718	497,164
Revaluation differences on portfolios hedged against interest rate risk	(565)	131
Investments of insurance companies	162,621	178,898
Tax assets	4,343	4,812
Other assets	101,824	92,898
Non-current assets held for sale	6	27
Deferred profit-sharing	407	-
Investments accounted for using the equity method	111	95
Tangible and intangible fixed assets	32,615	31,968
Goodwill	3,794	3,741
Total	1,538,624	1,464,449

In EUR m	30.06.2022	31.12.2021
Due to central banks	9,868	5,152
Financial liabilities at fair value through profit or loss	344,131	307,563
Hedging derivatives	32,133	10,425
Debt securities issued	133,679	135,324
Due to banks	147,871	139,177
Customer deposits	519,431	509,133
Revaluation differences on portfolios hedged against interest rate risk	(6,148)	2,832
Tax liabilities	1,609	1,577
Other liabilities	120,517	106,305
Non-current liabilities held for sale	-	1
Insurance contracts related liabilities	143,435	155,288
Provisions	4,914	4,850
Subordinated debts	17,074	15,959
Total liabilities	1,468,514	1,393,586
Shareholder's equity	-	-
Shareholders' equity, Group share	-	-
Issued common stocks and capital reserves	21,735	21,913
Other equity instruments	7,534	7,534
Retained earnings	34,676	30,631
Net income	(640)	5,641
Sub-total	63,305	65,719
Unrealised or deferred capital gains and losses	1,277	(652)
Sub-total equity, Group share	64,582	65,067
Non-controlling interests	5,528	5,796
Total equity	70,110	70,863
Total	1,538,624	1,464,449

10. APPENDIX 2: METHODOLOGY

1 – The financial information presented for the financial year ending June 30th, 2022 was approved by the Board of Directors on August 2nd, 2022. It has been prepared in accordance with IFRS as adopted in the European Union and applicable at this date. The limited review procedures on the condensed interim financial statements at June 30th, 2022 carried by the Statutory Auditors are currently underway.

2 - Net banking income

The pillars' net banking income is defined on page 41 of Societe Generale's 2022 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 are defined on page 41 of Societe Generale's 2022 Universal Registration Document. The term "costs" is also used to refer to Operating Expenses.
The Cost/Income Ratio is defined on page 41 of Societe Generale's 2022 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.

The contributions to **Single Resolution Fund (« SRF »)** are part of IFRIC21 adjusted charges, they include contributions to national resolution funds within the EU.

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:

in EUR m	H1 22	H1 21	Q2 22	Q2 21
Exceptional operating expenses (-)	872	533	(132)	(118)
IFRIC linearisation	570	398	(291)	(203)
Transformation costs[1]	302	135	159	85
Of which related to French Retail Banking	*201*	*60*	*97*	*38*
Of which related to Global Banking & Investor Solutions	*39*	*43*	*25*	*26*
Of which related to Corporate Centre	*62*	*32*	*37*	*21*
Exceptional Net profit or losses from other assets (+/-)	(3,303)	0	(3,303)	0
Net losses from the disposal of Russian activities[1]	(3,300)		(3,300)	
Net losses from the disposal of Lyxor[1]	(3)		(3)	
Total exceptional items (pre-tax)	4,175	533	3,171	(118)
Reported Net income - Group Share	(640)	2,253	(1,482)	1,439
Total exceptional items - Group share (post-tax)	3,719	394	2,987	(90)
Underlying Net income - Group Share	3,079	2,647	1,505	1,349

(1) Allocated to Corporate Centre

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

The cost of risk is defined on pages 43 and 663 of Societe Generale's 2022 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 EURm		Q2 22	Q2 21	H1 22	H1 21
French Retail Banking	Net Cost Of Risk	21	8	68	137
	Gross loan Outstandings	245,710	234,643	244,177	234,298
	Cost of Risk in bp	3	1	6	12
International Retail Banking and Financial Services	Net Cost Of Risk	97	121	422	263
	Gross loan Outstandings	141,075	131,344	140,811	130,770
	Cost of Risk in bp	28	37	60	40
Global Banking and Investor Solutions	Net Cost Of Risk	69	15	263	18
	Gross loan Outstandings	176,934	145,302	173,842	141,803
	Cost of Risk in bp	16	4	30	3
Corporate Centre	Net Cost Of Risk	30	(2)	25	0
	Gross loan Outstandings	14,943	13,561	14,678	13,262
	Cost of Risk in bp	79	(4)	34	0
Societe Generale Group	Net Cost Of Risk	217	142	778	418
	Gross loan Outstandings	578,662	524,849	573,508	520,133
	Cost of Risk in bp	15	11	27	16

NB: Amounts restated in Q1 22 to take into account the transfer of Private Banking activities (French and international) to the French Retail Banking. Includes other activities transferred after the disposal of Lyxor

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 notion of ROE (Return On Equity) and ROTE (Return On Tangible Equity), as well as the methodology for calculating it, are specified on pages 43 and 44 of Societe Generale's 2022 Universal Registration Document. This measure makes it possible to assess return on equity and Societe Generale's 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 44 of Societe Generale's 2022 Universal Registration Document.

The net result by the group retained for the numerator of the ratio is the net profit attributable to the accounting group adjusted by the interest to be paid on TSS & TSDI, interest paid to the holders of TSS & TSDI amortization of premiums issues and the impairment of goodwill.

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 (in EURm)	Q2 22	Q2 21	H1 22	H1 21
Shareholders' equity Group share	64,583	63,136	64,583	63,136
Deeply subordinated notes	(8,683)	(8,905)	(8,683)	(8,905)
Undated subordinated notes	-	(62)	-	(62)
Interest of deeply & undated subordinated notes, issue premium amortisations(1)	(8)	(1)	(8)	(1)
OCI excluding conversion reserves	854	(699)	854	(699)
Distribution provision(2)	(1,193)	(1,021)	(1,193)	(1,021)
Distribution for N-1	(914)	-	(914)	-
ROE equity end-of-period	54,638	52,448	54,638	52,448
Average ROE equity*	54,833	52,161	54,751	51,856
Average Goodwill	(3,646)	(3,927)	(3,636)	(3,928)
Average Intangible Assets	(2,723)	(2,542)	(2,738)	(2,524)
Average ROTE equity*	48,464	45,692	48,377	45,404
Group net Income	(1,482)	1,439	(640)	2,253
Interest on deeply subordinated notes and undated subordinated notes	(159)	(165)	(278)	(309)
Cancellation of goodwill impairment	-	-	2	-
Adjusted Group net Income	(1,641)	1,274	(916)	1,944
Average ROTE equity*	48,464	45,692	48,377	45,404
ROTE	-13.5%	11.2%	-3.8%	8.6%
Underlying Group net income	1,505	1,349	3,079	2,647
Interest on deeply subordinated notes and undated subordinated notes	(159)	(165)	(278)	(309)
Cancellation of goodwill impairment	-	-	2	-
Adjusted Underlying Group net Income	1,346	1,184	2,803	2,338
Average ROTE equity (underlying)*	51,451	45,602	52,096	45,797
Underlying ROTE	10.5%	10.4%	10.8%	10.2%

(1) Interest net of tax, payable or paid to holders of deeply subordinated notes & undated subordinated notes, issue premium amortisations
(2) The dividend to be paid is calculated based on a pay-out ratio of 50% of the underlying Group net income, after deduction of deeply subordinated notes and on undated subordinated notes
(*) Amounts restated compared with the financial statements published in 2020 (See Note1.7 of the financial statements)

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

In EURm	Q2 22	Q2 21	Change	H1 22	H1 21	Change
French Retail Banking	12,295	12,116	+1.5%	12,058	12,162	-0.9%
International Retail Banking and Financial Services	10,570	10,158	+4.1%	10,794	10,058	+7.3%
Global Banking and Investor Solutions	14,642	13,581	+7.8%	14,386	13,492	+6.6%
Core Businesses	37,507	35,857	+4.6%	37,238	35,713	+4.3%
Corporate Center	17,326	16,306	+6.3%	17,513	16,144	+8.5%
Group	54,833	52,161	+5.1%	54,751	51,856	+5.6%

NB: Amounts restated in Q1 22 to take into account the transfer of Private Banking activities (French and international) to the French Retail Banking. Includes other activities transferred after the disposal of Lyxor

8 - Net assets and tangible net assets

Net assets and tangible net assets are defined in the methodology, page 46 of the Group's 2022 Universal Registration Document. The items used to calculate them are presented below:

End of period (in EURm)	H1 22	Q1 22	2021
Shareholders' equity Group share	64,583	65,852	65,067
Deeply subordinated notes	(8,683)	(8,178)	(8,003)
Undated subordinated notes			
Interest of deeply & undated subordinated notes, issue premium amortisations(1)	(8)	(65)	20
Book value of own shares in trading portfolio	(222)	(78)	37
Net Asset Value	55,669	57,531	57,121
Goodwill	(3,667)	(3,624)	(3,624)
Intangible Assets	(2,672)	(2,773)	(2,733)
Net Tangible Asset Value	49,330	51,134	50,764
Number of shares used to calculate NAPS*	831,045	831,044	831,162
Net Asset Value per Share	67.0	69.2	68.7
Net Tangible Asset Value per Share	59.4	61.5	61.1

(1) Interest net of tax, payable or paid to holders of deeply subordinated notes & undated subordinated notes, issue premium amortisations

(*) The number of shares considered is the number of ordinary shares outstanding as at end of period, 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 45 of Societe Generale's 2022 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 45 of Societe Generale's 2022 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)	H1 22	Q1 22	2021
Existing shares	842,540	845,248	853,371
Deductions			
Shares allocated to cover stock option plans and free shares awarded to staff	6,041	6,021	3,861
Other own shares and treasury shares	5,416	8,124	3,249
Number of shares used to calculate EPS*	831,084	831,103	846,261
Group net Income	(640)	842	5,641
Interest on deeply subordinated notes and undated subordinated notes	(278)	(119)	(590)
Capital gain net of tax on partial buybacks			
Adjusted Group net income	(918)	723	5,051
EPS (in EUR)	(1.10)	0.87	5.97
Underlying EPS** (in EUR)	2.87	1.00	5.52

(*) Calculated on the basis of underlying Group net income (excluding linearisation of IFRIC 21).
(**) The number of shares considered is the average number of ordinary shares outstanding during the period, 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 CRR2/CRD5 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 also calculated according to applicable CRR2/CRD5 rules including the phased-in following the same rationale as solvency ratios.

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 117,000 members of staff in 66 countries and supports on a daily basis 25 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, Credit 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,** with networks in Africa, 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 (Europe), FTSE4Good (Global and Europe), Bloomberg Gender-Equality Index, Refinitiv Diversity and Inclusion Index, Euronext Vigeo (Europe and Eurozone), STOXX Global ESG Leaders indexes, and the MSCI Low Carbon Leaders Index (World and Europe).
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Key figures as of 30 June 2022.

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