



First quarter 2014 results

Attractiveness and profitability of the model but anticipated impact of the exit of the UK

Q1 2014 NBI: €58.1 million, +7%

GOI Q1 2014: €16.1 million (-6%), excl. United Kingdom €21.6 (+23%)

**Q1 2014 Group share of net income: €2.5 million (-72%),
excl. United Kingdom €13.1 (+16%)**

France: confirmation of the attractiveness and profitability of the model

- 27,964 new clients recruited (+59%): one new client every 5 minutes
- New record for balance sheet deposits: €4.1 billion, +18%
- Life Insurance: outstandings at €3.0 billion, +13%
- A profitable model: Q1 2014 GOI at €20.0 million, +16%; Q1 2014 Group share of net income at €12.4 million, +12%

Online brokerage: best quarter since Q3 2011

- 1.7 million orders executed for the Group in Q1 2014, +23%
- Successful launch of PEA-PME in France: 6,662 accounts opened

United Kingdom: entering exclusive negotiations and exit of the country in 2014

Good operating performance in Spain and Germany

Simplified public tender offer on Boursorama shares by Société Générale acting in conjunction with La Caixa Group

2014 outlook

- **France**
 - 600,000 customers by the end of 2014
 - Extension of the product range
- **Spain: development of the banking activity in H2 2014**
- **Anticipated impact of the exit of the United Kingdom: 2014 Group share of net income will be close to zero¹**

In €m	Q1 2013	Q1 2014	Δ Q1-14/ Q1-13
<i>Net banking income</i>	54.6	58.1	7%
<i>Total operating expenses</i>	(37.5)	(42.0)	12%
<i>Gross operating income</i>	17.1	16.1	-6%
<i>Net cost of risk</i>	(0.1)	0.1	nm
<i>Profit before tax</i>	17.0	11.1	-35%
<i>Group share of net income</i>	9.0	2.5	-72%

Commenting on the release of the first quarter 2014 results, **Marie Cheval**, Chief Executive Officer of Boursorama stated: "In France, the results for the first quarter reflect the strength and profitability of Boursorama's online banking model and confirm our target of 600,000 clients by the end of 2014. The exit in

¹ Including -€11M charge at the result level of foreign exchange loss from Selftrade prior to 2009 with no impact on Boursorama's equity

the United Kingdom will have a negative effect on the Group share of net income, which is expected to be close to zero for the year 2014."

*Unless otherwise stated, comparisons refer to quarter-on-quarter reported data.
Figures are in the process of being audited.*

■ **France: confirmation of the attractiveness and profitability of the model**

In France, the first quarter of 2014 was marked by the acceleration of customer acquisition, confirming the attractiveness of Boursorama's offering. Boursorama remains the cheapest bank in France with banking fees of less than €13 on average per current account per year (vs. €18² for the national average). There is one new Boursorama client every five minutes. This high rate (27,964 new clients, +59% compared with the first quarter of 2013) results in a significant increase in new accounts opened (26,736 current accounts and 12,895 bank savings accounts). The launch of *PEA-PME*, which is fully accessible online, also benefited from this commercial dynamic, with 6,662 new accounts opened.

Boursorama's client base thus grew by 20% and the bank now has 530,873 clients in France.

Consequently, balance sheet deposits increased by 18% to reach a record level, at €4.1 billion. Current account deposits increased by 32% to €987 million; deposits in bank savings accounts (CSL, LDD, Livret A, etc.) were up 11% to €2.3 billion and deposits in trading accounts increased by 25% to €845 million.

Very good performance of the Life Insurance offering

Net inflows for Life Insurance increased significantly during the first quarter of 2014 (+52%) to €86 million. At the same time, outstandings advanced 13% to reach the €3.0 billion mark, and the unit-linked/euros mix increased to 26%. These results validate the performance and the simplicity of the 100% online application and management processes.

The mutual funds offering benefited from the renewed interest of clients for equities, with an inflow for the quarter positive at €25 million euros. Mutual funds outstandings grew +8% to €883 million, overweighted in non-money funds (90% of the total).

boursorama.com: no. 1 economic and financial news site

With more than 29 million visits and more than 310 million pages viewed per month on average during the first quarter of 2014³, boursorama.com confirmed its position as the leading economic and financial news website in France. For all sectors combined, boursorama.com is the 14th most-visited website.

Since one year, visitors to boursorama.com have benefited from Responsive Web Design technology that allows them to access the same level of information regardless of the device used: a computer, a Smartphone or a tablet. Pioneer in the use of this technology, the mobile audience of Boursorama.com has increased significantly (+9 points) and now represents 27% of the total audience.

boursorama.com was recognised for the third year in a row by *Gestion de Fortune* magazine as the no. 1 Internet portal for financial information, the increase of its turnover (+7% to €2.3 million) reflects its good positioning among advertisers.

Boursorama in France, a successful and profitable bank

In addition to this strong sales momentum, Boursorama has also posted solid financial performance that demonstrates the profitability of the model.

Net banking income (NBI) in France for the first quarter of 2014 stands at €46.2 million (+4%), driven by a steady activity in the brokerage business; the number of orders executed by Boursorama in France increased by 22% to 980,157 orders in a favourable market environment (Euronext Paris volumes up 21% and a return of IPOs). NBI for France for the first quarter 2014 breaks down as follows:

- **Banking NBI:** €28.2 million (-3%), or 61% of NBI France;
- **Brokerage NBI:** €15.7 million (+20%), or 34% of NBI France;
- **Internet portal revenues:** €2.3 million (+7%), or 5% of NBI France.

² Source: survey lead in 2013 among 157 financial institutions by Panorabanques.

³ Source: OJD

Operating expenses were under control at €26.1 million (-3%), yielding Gross Operating Income (GOI) of €20.0 million, up 16%. Group share of net income was also up 12% at €12.4 million, despite a higher tax rate than during the first quarter of 2013.

<i>In €m</i>	Q1 2013	Q1 2014	Δ Q1-14/ Q1-13
Net banking income	44.2	46.2	4%
Total operating expenses	(26.9)	(26.1)	-3%
Gross operating income	17.3	20.0	16%
Net cost of risk	(0.1)	0.1	nm
Profit before tax	17.2	20.1	17%
Group share of net income	11.1	12.4	12%

■ Selftrade

In the United Kingdom, Selftrade has signed an exclusivity letter with Equiniti Group with the objective of reaching an agreement to transfer the portfolio of Selftrade clients in 2014. This transaction will enable service continuity as well as the quality of service offered to the clients to be maintained. The execution of this transaction will be subject to regulatory approval and to the usual conditions applicable to these types of transaction, and will be followed by the closure of the entity. Based on current projections, the costs associated with this transaction (transfer of the client portfolio and closure of the entity) will have a significant impact on Boursorama's results and could lead to a net income of close to zero¹ for the group for the financial year 2014.

■ Group performance

During the first quarter of 2014, Boursorama Group posted a NBI of €58.1 million, up 7% (+8% over the fourth quarter of 2013), driven by the best performance from the brokerage business since Q3 2011 (number of orders processed by the group up +23% at 1.7 million) and a very attractive banking offering in France.

GOI was down 6% at €16.1 million, however, due to the significant increase in operating expenses in the United Kingdom, of which €2.7 million arose from exceptional charges linked to the end of the IT platform migration project, and the continued investment in France (IT, staff). Excluding the United Kingdom, GOI stands at €21.6 million.

The drop of 72% in group share of net income results from the impact of the restructuring costs with respect to Selftrade at €7.8 million.

Excluding the United Kingdom, group share of net income stands at €13.1 million, up 16%.

Overall, assets under administration reached €19.3 billion, representing an increase of +14%.

■ International

- **In the United Kingdom**, the change in regulation that modifies the terms and conditions for replacement of client deposits had a direct impact on Selftrade's interest margins. NBI is down 8% at €4.0 million despite the stability of revenues from the brokerage business. Operating expenses increased significantly due to expenses linked to the upgrading of business processes (compliance) and the costs generated by the end of the IT platform migration project. At the same time, impairment of intangible assets at €5.1 million had a negative impact on the entity's group share of net income, which amounted to -€10.6 million. Excluding exceptional items, group share of net income for Selftrade stands at -€2.8 million.

- **In Germany**, NBI was sustained by the very good performance posted by the brokerage business (417,355 orders processed, +41%) and reached €4.1 million (+10%). The increase in operating expenses to €4.3 million (+12%) brings group share of net income close to breakeven (-€0.2 million).
 - **In Spain**, the significant growth in NBI to €3.8 million (+71%) results from the record levels of activity in the brokerage business (137,826 orders executed, +71%) and the control of operating expenses led to a positive jaws effect. Group share of net income amounted to €0.9 million. Self Bank aims to develop its banking activity during the second half of the year.
- **Simplified public tender offer**

Following the signature with La Caixa Group of a shareholder agreement to act in conjunction on Boursorama, on 18th March 2014 Société Générale submitted to the French Financial Markets Authority (AMF) a project of a simplified public tender offer aiming Boursorama's shares. The price offered to shareholders is €12 per share. The reinforcement of Société Générale's in the share capital of Boursorama, the leading online bank in France, is part of the Group's determination to continue its development in this market.

In accordance with applicable regulations, Boursorama submitted in response on 15th April 2014 a project of an information note, which contained on one hand the report from Ricol Lasteyrie, the independent expert which was appointed by the Board of Directors of the company in respect to the public tender offer and on the other hand the opinion of Boursorama's Board of Directors on the public tender offer.

According to the independent expert, the price offered by Société Générale is fair from a financial point of view for Boursorama's shareholders, including in a context of a compulsory delisting. The Board of Directors of Boursorama stressed out that "the operation is intended to support and sustain the company's strategic development, particularly with respect to maintaining its position as the leading online bank in France" and that "the project of public tender offer is in line with the interests of the company, its shareholders and its employees" and recommends to "shareholders who wish it to tender their shares to the public offer".

The Financial Markets Authority declared the public tender offer compliant on 29th April 2014.

Indicative timetable of the public tender offer: from 5 May to 16 May included.

Boursorama will tender its treasury shares to the public offer.

Find all the information regarding the simplified public tender offer of Société Générale on the Boursorama group site in the Public Offer page: <http://groupe.boursorama.fr/en/offre-publique/>

The quarterly financial information includes this press release and the financial presentation, available at the group's website in the finance section: <http://groupe.boursorama.fr>

■ Appendix

Business indicators

Number of executed orders	Q1-13	Q2-13	Q3-13	Q4-13	2013	Q1-14
Group	1,417,097	1,325,166	1,374,990	1,438,502	5,555,755	1,748,760
France	804,185	683,555	728,380	780,380	2,996,500	980,157
United Kingdom	237,244	221,752	205,802	201,190	865,988	213,422
Germany	294,900	335,322	340,580	338,960	1,309,762	417,355
Spain	80,768	84,537	100,228	117,972	383,505	137,826

Number of new accounts	Q1-13	Q2-13	Q3-13	Q4-13	2013	Q1-14
Group	41,429	38,999	41,988	60,366	182,782	62,597
France	34,286	33,084	36,421	53,776	157,567	55,162
<i>Current accounts</i>	17,340	18,286	21,064	31,288	87,978	26,736
<i>Savings and other accounts</i>	10,482	8,928	9,181	15,358	43,949	12,895
<i>Life insurance and MF</i>	2,642	2,984	2,532	2,960	11,118	3,652
<i>Trading accounts</i>	3,822	2,886	3,644	4,170	14,522	11,879
United Kingdom	1,033	427	359	412	2,231	400
Germany	2,749	1,788	2,433	2,052	9,022	2,736
Spain	3,361	3,700	2,775	4,126	13,962	4,299

Total number of accounts	Q1-13	Q2-13	Q3-13	Q4-13	2013	Q1-14
Group	1,068,900	1,096,641	1,128,498	1,179,110	1,179,110	1,229,383
France	754,824	780,749	810,014	857,254	857,254	904,889
<i>Current accounts</i>	283,416	299,586	318,352	347,585	347,585	372,023
<i>Savings and other accounts</i>	187,751	194,763	201,936	215,503	215,503	226,091
<i>Life insurance and MF</i>	129,699	131,762	133,304	135,373	135,373	138,057
<i>Trading accounts</i>	153,958	154,638	156,422	158,793	158,793	168,718
United Kingdom	202,281	200,099	198,600	197,223	197,223	194,578
Germany	44,270	45,254	47,120	48,600	48,600	50,657
Spain	67,525	70,539	72,764	76,033	76,033	79,259

Outstandings in €m	Q1-13	Q2-13	Q3-13	Q4-13	2013	Q1-14
Balance Sheet deposits	4,353	4,580	4,869	4,940	4,940	5,136
<i>Trading accounts</i>	1,478	1,557	1,766	1,712	1,712	1,747
<i>Current accounts</i>	751	810	861	945	945	992
<i>Savings and other accounts</i>	2,124	2,213	2,242	2,283	2,283	2,397
Mutual Funds	1,526	1,464	1,551	1,632	1,632	1,760
Life Insurance	2,672	2,712	2,803	2,863	2,863	3,024
Securities	8,430	8,317	8,777	9,144	9,144	9,398
Total AUA	16,980	17,073	18,001	18,579	18,579	19,318

Quarterly consolidated income statement*

In €m	Q1 2013					Q1 2014				
	Group	France	UK	Germany	Spain	Group	France	UK	Germany	Spain
Net Banking Income	54.6	44.2	4.4	3.8	2.2	58.1	46.2	4.0	4.1	3.8
Total operating expenses	(37.5)	(26.9)	(4.8)	(3.9)	(1.9)	(42.0)	(26.1)	(9.5)	(4.3)	(2.1)
Gross operating expenses	17.1	17.3	(0.4)	(0.1)	0.3	16.1	20.0	(5.5)	(0.2)	1.7
Net cost of risk	(0.1)	(0.1)	0.0	0.0	0.0	0.1	0.1	0.0	0.0	0.0
Profit before tax	17.0	17.2	(0.4)	(0.1)	0.3	11.1	20.1	(10.6)	(0.2)	1.7
Group share of net income	9.0	11.1	(2.3)	0.0	0.2	2.5	12.4	(10.6)	(0.2)	0.9

* Non audited. Financial statements reviewed by the Board of Directors on April 30, 2014.

NBI France by activity

In €m	Q1-13	Q2-13	Q3-13	Q4-13	2013	Q1-14
Total NBI France	44.2	38.9	39.3	42.2	164.6	46.2
Banking	29.1	24.5	24.1	25.6	103.3	28.2
Brokerage	13.0	11.3	13.1	13.7	51.1	15.7
Internet Portal	2.1	3.1	2.1	2.9	10.2	2.3

Balance sheet at 31 March 2014*

In €m		ASSETS		LIABILITIES	
		31/12/2013	31/03/2014	31/12/2013	31/03/2014
Customer loans		2,611	2,698	Customer deposits	4,484
Bank loans (including cash and central banks)		1,480	1,544	Bank liabilities and debt	235
Other assets		1,350	1,337	Other liabilities	217
Non current assets and goodwill		240	237	Shareholders' equity	745
Total assets		5,681	5,816	Total liabilities	5,681

* Non audited. Financial statements reviewed by the Board of Directors on April 30, 2014.

Regulatory capital, RWA and solvency ratios

In €m	(Basel II)	(Basel III)
	31/12/2013	31/03/2014
Group share of consolidated equity	597.2	614.2
Minority interest	28.1	28.9
Intangibles, Goodwills, DTA	(187.1)	(189.8)
Complementary adjustments - AFS	(33.4)	-
Minority interest adjustment	-	(24.3)
Equity	404.8	429.1
Subordinated debt	120.0	0.0
Total equity	524.8	429.1
RWA credit risk	1,161.2	1,187.5
RWA market risk	0,0	0.0
RWA operational risk	143.8	166.3
Total RWA	1,305.0	1,353.7
Tier 1	31.0%	31.7%
Global solvency ratios	40.2%	31.7%

About Boursorama

Boursorama, part of the Société Générale Group, is a major player in online banking in Europe with 733,536 customers, 1,179,110 direct accounts and total assets under management of 18.6bn euros at end of December 2013. In France, Boursorama is the online bank of reference: more than 505,000 customers, at end of 2013, rely on its innovative, simple, inexpensive and secure bank offering. Its portal, www.boursorama.com, is the leading financial and economic online information website. Boursorama is also active in the United Kingdom and in Spain, under the respective brands Selftrade and Self Bank. In Germany, Boursorama is a major player in brokerage and in financial and economic online information, through its brand OnVista.

Boursorama is listed on NYSE Euronext Paris- compartment B- ISIN: FR0000075228 (BRS) – Reuters: FMTX.LN – Bloomberg BRS FP. For all information on Boursorama, go to: <http://groupe.boursorama.fr>

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