

## PRESS RELEASE

### **Acceleration of the adaptation of the French Retail Banking network: Exceptional charge in Q4 17**

Paris, 27 November 2017

Societe Generale is embarking on a new phase in the adaptation of its French network in order to accelerate the increase in expertise and agility of its organisation aimed at serving all of its customers.

The Board of Directors met on 23 November 2017 under the chairmanship of Lorenzo Bini Smaghi to examine a plan for the reorganisation of its French network, which was submitted to the social partners today. The plan could lead to a headcount reduction of approximately 900 employees, in addition to the 2,550 already announced at the beginning of 2016, taking the total number to around 3,450 by 2020. In the spirit of the intense and constant social dialogue with respect to the transformation of the French retail networks, the Group's Management will examine with the social partners the consequences on employment of the project, which will be based primarily on internal mobility, and also natural and voluntary departures.

This reorganisation, as well as the acceleration of the programme to overhaul certain aspects of the compliance framework, will result in the Group recording an exceptional charge of around EUR -400 million in Q4 17.

Furthermore, the Group will reflect, in its Q4 17 accounts, the effects of all the tax changes expected in Q4 17:

- The refund of the additional 3% contribution on dividends, which was rejected by the Constitutional Council
- The exceptional tax on corporate income that is planned as part of the 2017 draft finance amendment law
- The progressive reduction in the corporate tax rate of the draft 2018 budget law

The net effect of these tax changes, which are either effective or have been submitted for final promulgation, could result in the Group booking a charge of approximately EUR -170 million in Q4 17.

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#### **Societe Generale**

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

Societe Generale has been playing a vital role in the economy for 150 years. With more than 145,000 employees, based in 66 countries, we serve on a daily basis 31 million clients throughout the world. Societe Generale's teams offer advice and services to individual, corporate and institutional customers in three core businesses:

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

Societe Generale is currently included in the main sustainability indices: DJSI (World and Europe), FTSE4Good (Global and Europe), Euronext Vigeo (World, Europe and Eurozone), Ethibel Sustainability Index (ESI) Excellence Europe, 4 of the STOXX ESG Leaders indices, MSCI Low Carbon Leaders Index.

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