

PRESS RELEASE

Paris, 5 May 2017

ALD TRADING UPDATE AND Q1 17 RESULTS

- **ROBUST GROWTH IN FLEET SIZE, GROSS OPERATING INCOME AND NET INCOME**
- **FURTHER POSITIVE DEVELOPMENTS IN PRIVATE LEASE IN WESTERN EUROPE**
- **STRONG OPERATING AND FINANCIAL PERFORMANCE IN Q1 17 CONFIRMING THE STRENGTH OF THE GROUP'S BUSINESS MODEL**
- **CONFIRMATION OF GUIDANCE 2017**

ALD Q1 17 HIGHLIGHTS

- ✓ **Total Fleet** at 1.41 million vehicles managed worldwide at end of March 2017, up 2.3% vs. end of December 2016 and up 14.3% vs. end of March 2016
- ✓ **Gross Operating Income** at EUR 328.4 million¹, up 8.3 % vs. Q1 16
- ✓ **Net Income (Group share)** at EUR 143.6 million, up 9.7% vs. Q1 16

Mike Masterson, CEO of ALD commented on the Q1 17 results:

“The Q1 17 results demonstrate continuing strong performance in terms of fleet growth, gross operating income and net income. The Group will continue to invest in the growth of the business, while rigorously managing its costs and risks. ALD is determined to pursue its strategy of delivering sustainable growth, building on its constant customer focus and backed by the service excellence of its teams.”

A GLOBAL LEADER IN MOBILITY SOLUTIONS AND FLEET MANAGEMENT SERVICES

ALD operates across the value chain in mobility solutions and is a leading international provider of full service vehicle leasing and fleet management services to corporate customers. More recently, it has expanded its offer to private individuals.

ALD is ranked #1 in Europe and #3 globally based on its total number of vehicles under management of 1.38 million as at 31 December 2016. Its unique ability to deliver competitive global fleet solutions, thanks

¹ See annex for detailed information on the income statement.

to its direct presence in 41 countries (with top 3 positions in 26 countries) and its network of global alliances, provide ALD unparalleled customer visibility.

ALD's strength in indirect channels through white label partnerships with car manufacturers and banks gives it unrivalled access to SME and private clients across a wide range of countries.

ALD's strategic objective is to be a global leader in the provision and delivery of mobility solutions and fleet management services.

SOLID PERFORMANCE ACROSS ALL REGIONS AND CONSOLIDATED INCOME COMPONENTS

ALD's Gross Operating Income increased significantly during Q1 17 recording an 8.3% growth to EUR 328.4 million (versus EUR 303.3 million in Q1 16).

This performance was driven by an increase in the total fleet across all regions (+16.2% in Western Europe, +3.0% in Nordics, +10.2% in Central Eastern Europe and +7.5% in South America, Africa & Asia), including the full contribution from Parcour (acquired in May 2016, with a managed fleet of c. 63,700 vehicles).

The increase in Gross Operating Income was due to contributions from Leasing Contract Margin and Services Margin, which increased in Q1 17 to EUR 128.8 million and EUR 151.8 million respectively (vs. EUR 121.6 million and EUR 129.6 million in Q1 16). Together, these two margins grew by 11.7% in Q1 17. The contribution from Car Sales Results remained robust at EUR 47.8 million vs. EUR 52.0 million in Q1 16.

In Q1 17, the Total Operating Expenses increased by 11.5% to EUR 144.5 million (versus EUR 129.6 million), driven by an increase in staff expenses of 13.9% to EUR 90.6 million (vs. EUR 79.5 million in Q1 16), due to the full costs of the Parcour staff reflected in Q1 2017.

The cost of risk² remained stable at 14 bps during Q1 17 compared to 14 bps for Q1 16 (in % of Net Earning Assets, annualized).

This solid operating performance in Q1 17 resulted in Net Income Group Share of EUR 143.6 million (up 9.7% versus Q1 16).

The Return on Average Earning Assets in Q1 17 (annualised) was 3.9%.

The Group's Equity / Total Assets ratio stood at 15.7% at the end of March 2017.

ALD: PRIVATE LEASE GROWTH INITIATIVES

ALD continues to strengthen its position in the private lease market. ALD initiated two partnerships in April 2017, with Credit du Nord and BlaBlaCar in France, providing a strong basis for the growth of this key pillar of ALD's growth strategy.

The partnership with Credit du Nord enables ALD to provide a new long-term vehicle leasing offering to the bank's clients representing more than 2 million individual customers and 230,000 professional clients. ALD has also entered into a pilot partnership in France with BlaBlaCar, the world's largest long-distance

² Cost of risk: Annualized ratio (quarterly figure multiplied by 4), using the Impairment Charges on Receivables divided by the arithmetic average of Earning Assets at the beginning and end of the period.

carpooling community. BlaBlaCar's French 'Ambassadors' – the platform's most active members – have access to a selection of cars available in simple and attractive "car-as-a-service" packages, including lower-priced leasing, warranty and maintenance services. Both of these initiatives are expected to contribute strongly to ALD's targeted volumes in the private lease segment.

Full details of our financial results for the quarter ended 31 March 2017 are available on our website at www.ALDAutomotive.com. The limited review procedures of these results by ALD's statutory auditors are in progress.

GUIDANCE 2017 AND OUTLOOK 2016-2019

ALD's guidance for 2017 is as follows:

- Total Fleet is expected to grow around 8% compared to 2016;
- Gross Operating Income³ is expected to grow around 8% compared to 2016;
- Net Income Group Share is expected to grow around 10% compared to 2016;
- Return on Average Earning Assets is expected to be between 3.5% and 4%, and Return on Equity between 15% and 17%;
- Leverage and shareholder return targets are consistent with capital generation and total asset growth, with the objective to maintain BBB rating:
 - Maintain Equity / Total Assets ratio stable between 15% and 17%;
 - Target pay-out ratio between 35% and 40%.

ALD's outlook for 2016-2019 is as follows:

- Total fleet is expected to grow by 8% – 10% per annum on average;
- Leasing Contract Margin⁴ and Services Margin are expected to grow by 8% – 10% per annum on average throughout the period, with an expected decreasing contribution of Car Sales Result within Gross Operating Income by 2019
- Net Income Group Share is expected to grow around 7% per annum on average, this evolution being driven by fleet growth, a strong focus on efficiency, resilient margins and a normalization of the Car Sales Results,
- Return on Average Earning Assets is expected to be above 3.5% throughout the period, consistent with its performance over the last three years;
- Leverage and shareholder return targets are consistent with capital generation and total asset growth over the period, with the objective to maintain BBB rating:
 - Maintain Equity / Total Assets ratio stable between 15% and 17%;
 - Target pay-out ratio between 35% and 40%.

³ See annex for detailed information on the income statement.

⁴ See annex for detailed information on the income statement.

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ALD

ALD is the operational leasing and fleet management business line of Societe Generale the largest providers in Europe and a company of reference on its market:

- Operates directly in 41 countries,
- Employs over 6,000 staff,
- Manages 1.41 million vehicles (at 31 March 2017).

Combining professionalism and quality of services provides companies with value-added integrated solutions at both national and international levels.

For more information, you can follow us on LinkedIn or visit www.ALDAutomotive.com.

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 148,000 employees, based in 76 countries, we accompany 32 million clients throughout the world on a daily basis. 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, Credit du Nord and Boursorama, offering a comprehensive range of multichannel financial services at the leading edge of digital innovation;
- **International retail banking, financial services and insurance** with a presence in emerging economies and leading specialised businesses;
- **Corporate and investment banking, private banking, asset management and securities services**, with recognized expertise, top international rankings and integrated solutions.

Societe Generale is included in the main socially responsible investment indices: FTSE4Good (Global and Europe), Euronext Vigeo (Global, Europe, Eurozone and France), ESI Excellence (Europe) from Ethibel and 4 of the STOXX ESG Leaders indices.

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

This document contains forward-looking statements relating to the targets and strategies of the ALD Group and 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 ALD and Societe Generale believes that these statements are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, including matters not yet known to it or its management or not currently considered material, and there can be no assurance that anticipated events will occur or that the objectives set out will actually be achieved. Important factors that could cause actual results to differ materially from the results anticipated in the forward-looking statements include, among others, overall trends in general economic activity and in ALD and Societe Generale's markets in particular, regulatory and prudential changes, and the success of ALD and Societe Generale's strategic, operating and financial initiatives. Investors are advised to take into account factors of uncertainty and risk likely to impact the operations of the ALD Group and the Societe Generale Group when considering the information contained in such forward-looking statements. Other than as required by applicable law, ALD and Societe Generale does not undertake any obligation to update or revise any forward-looking information or statements.

Annex

Consolidated Income Statement

In the context of the preparation of the documentation relating to its contemplated initial public offering, ALD has changed the presentation format of its consolidated income statement as follows:

- The Depreciation Revenue and Financial Revenue lines have been merged into one single line called “Leasing Contract Revenue”. This new line and the associated costs of depreciation and financing derived from leasing contracts are reported as the “Leasing Contract Margin”,
- The Services Margin and the Car Sales Results continue to be presented on separate lines,
- “Total Income” has been renamed “Gross Operating Income”,
- A new subtotal, “Operating Result”, has been added representing the sum of the “Gross Operating Income”, “Total Operating Expenses”, “Impairment Charges on Receivables” and “Non-Recurring Income (Expenses)”.

SELECTED FINANCIAL FIGURES

(in € million)	Variance in %					
	Q1 2017 ¹	Q1 2016	FY 2016	FY 2015	Q1 '17/'16	FY '16/'15
Leasing Contract Revenues	976.7	821.0	3,520.7	3,211.5	19.0%	9.6%
Leasing Contract Costs - Depreciation	(748.3)	(662.4)	(2,795.8)	(2,552.2)	13.0%	9.5%
Leasing Contract Costs - Financing	(67.7)	(50.9)	(205.9)	(229.8)	33.1%	(10.4%)
Unrealised Gains/Losses on Financial Instruments	(31.8)	13.9	(4.9)	2.1	(329.2%)	(333.9%)
Leasing Contract Margin	128.8	121.6	514.1	431.6	5.9%	19.1%
Services Revenues	442.0	397.4	1,667.0	1,574.6	11.2%	5.9%
Cost of Services Revenues	(290.2)	(267.7)	(1,138.4)	(1,040.6)	8.4%	9.4%
Services Margin	151.8	129.6	528.6	534.0	17.1%	(1.0%)
Proceeds of Cars Sold	634.3	537.6	2,377.7	2,045.5	18.0%	16.2%
Cost of Cars Sold	(586.5)	(485.5)	(2,176.2)	(1,838.3)	20.8%	18.4%
Car Sales Result	47.8	52.0	201.5	207.2	(8.1%)	(2.7%)
GROSS OPERATING INCOME	328.4	303.3	1,244.2	1,172.8	8.3%	6.1%
Staff Expenses	(90.6)	(79.5)	(342.5)	(306.3)	13.9%	11.8%
General and Administrative Expenses	(48.1)	(46.1)	(189.0)	(169.4)	4.4%	11.6%
Depreciation and Amortisation	(5.9)	(4.0)	(21.5)	(16.1)	45.6%	33.6%
Total Operating Expenses	(144.5)	(129.6)	(553.1)	(491.8)	11.5%	12.5%
Impairment Charges on Receivables	(5.3)	(4.3)	(23.8)	(20.9)	22.6%	13.6%
Non-Recurring Income (Expenses)	0.0	0.0	(2.0)	(57.0)	NS	(96.5%)
OPERATING RESULT	178.6	169.4	665.3	603.1	5.4%	10.3%
Share of Profit of Associates and Jointly Controlled Entities	0.5	0.2	0.7	0.9	112.1%	(20.6%)
Profit Before Tax	179.0	169.6	666.1	604.1	5.6%	10.3%
Income Tax Expense	(34.2)	(37.4)	(150.4)	(174.7)	(8.4%)	(13.9%)
Profit for the Period	144.8	132.2	515.7	429.4	9.5%	20.1%
Profit Attributable to:						
Owners of the Company	143.6	130.9	511.7	424.4	9.7%	20.6%
Non-Controlling Interests	1.2	1.3	4.0	5.0	(11.2%)	(20.2%)
<i>Return on Average Earning Assets</i>	3.9% ²	4.3% ²	3.8%	3.7%		
<i>Return on Equity</i>	19.3% ²	18.8% ²	17.9%	18.4%		
Total Fleet (in '000 of vehicles)	1,407	1,230	1,376	1,207	14.3%	14.0%
Total Assets	18,985	16,190	18,509	15,727	17.3%	17.7%
Earning Assets	15,106	12,425	14,588	12,163	21.6%	19.9%
Shareholders' Equity (Group Share)	2,976	2,845	2,978	2,730	4.6%	9.1%
<i>Shareholders' Equity / Total Assets</i>	15.7%	17.6%	16.1%	17.4%		

¹ The limited review procedures of Q1 17 results by ALD's statutory auditors are in progress.

² Annualized ratio (quarterly figure multiplied by 4): using average balance between quarterly figure and end of previous year.