

## **FOURTH UPDATE TO THE 2008 REGISTRATION DOCUMENT**

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under No. D.08-0084

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This document is a full translation of the original French text.

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Only the French version is legally binding.**

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## **I. CHAPTER 2: GROUP STRATEGY AND BUSINESSES**

### **1.1 RECENT PRESS RELEASES**

#### **1.1.1 Press release dated September 17th 2008: Societe Generale exposure to Lehman Brothers**

Further to Lehman Brothers Holding Inc. decision to file under Chapter 11 of the US Bankruptcy Code, Societe Generale Group sets out below its estimated exposure to companies of the Lehman Brothers Group:

- Loans granted by Societe Generale Group to Lehman Brothers Group companies represent 3 million euros.
- For its own account, Societe Generale Group has net senior debt exposure on Lehman Brothers Group companies in a nominal principal amount of the equivalent of 76 million euros.
- Companies of the Lehman Brothers Group were counterparts to Societe Generale Group in various derivative and other market activities, a large part of the exposure under these activities being collateralised. The replacement risk in this respect is estimated at around 400 million euros under present market conditions. The corresponding counterparty exposures have now been almost completely closed out.

Final loss will be a fraction of these exposures as it will depend on the liquidation conditions of Lehman Brothers' assets.

#### **1.1.2 Press release dated October 13th 2008: denial of rumors**

Societe Generale formally denies the malicious rumors attributing to the bank significant losses in its structured products activities in recent days, which would necessitate a recapitalization of the bank, and announces it has asked the AMF to launch an investigation into potential manipulation of its share price, as provided for by article 631-4 of its statutes.

#### **1.1.3 Press release dated October 13th 2008: update on estimated Q3 08 results**

Societe Generale reiterates its formal denial of the market rumors which may have circulated today. At this time, the Group has not experienced significant losses on its structured products activities, which would necessitate a recapitalization of any kind.

Furthermore, with the objective of transparency, the Group wishes to give the following details relative to its estimated performance for the third quarter 2008.

- Business performances were generally satisfactory in a volatile market environment, leading to Group net income (excluding non-recurring items) of approximately EUR 1 billion. In Russia more specifically, the Group's activities benefit from a solid financial structure enabling them to resist the current market turmoil without significant impact on their financial results.

- In addition, during the third quarter the Group continued to reduce its assets at risk, while strengthening their hedging levels. Additional depreciations should have a limited impact on the Group's results.
- Globally, and after taking into account the depreciations linked to Lehman Brothers' bankruptcy, Societe Generale Group will post positive Group net income for the third quarter 2008, not taking into account discussions currently being held on changes to European accounting regulations (in particular concerning the classification of securities portfolios), which could have a positive impact on results.
- The Group confirms its Basel II Tier One ratio is over 8% at September 30th 2008, in line with its objective for the whole of the 2008 financial year.

#### **1.1.4 Press release dated November 3rd 2008: third quarter results**

See Chapter 10, page 18.

## **II. CHAPTER 3: FACTS AND FIGURES**

### **2.1 SOCIETE GENERALE'S COMMON STOCK**

#### **2.1.1 Press release dated September 22nd 2008: Group delists its common stock from the tokyo stock exchange**

On September 16th, 2008, the Board of Directors of Societe Generale took the decision to delist the Company's common stock from the Tokyo Stock Exchange, Inc. ("TSE").

This decision takes account of the small trading volumes of Societe Generale shares on the TSE in recent years. The impact of the delisting from TSE on Japanese investors should be limited in light of Japanese investors' access to EuroNext Paris, where the Group is listed.

The Company will submit the delisting application to the TSE before the end of 2008. Once the delisting is decided by the TSE, the shares will be designated as "securities to be delisted" and in principle be delisted one month after such decision.

The delisting will not have any impact on the business activities of SG Group companies in Japan.

Societe Generale is and will continue to be a leading player in the Japanese market and remains strongly committed to Japan, where it has been present for 35 years.

### **III. CHAPTER 5: CORPORATE GOVERNANCE**

#### **3.1 BOARD OF DIRECTORS**

##### **■ Board of Directors**

On November 2nd 2008, Mr Elie Cohen submitted his resignation from his mandate for health reasons.

##### **■ Audit Committee**

On September 16th 2008, the Board of Directors appointed Nathalie Rachou member of the Audit Committee. The Audit Committee is now composed of Anthony Wyand, Chairman, Elisabeth Lulin, Gianemilio Osculati and Nathalie Rachou.

##### **■ Press release dated November 5th 2008: implementation of AFEP/MEDEF recommendations concerning the compensation of executive directors in listed companies**

During its meeting of November 5th, 2008, the Board of Directors was informed of the AFEP-MEDEF recommendations of October 6th 2008 concerning the compensation of executive directors of listed companies.

After deliberation, the Board decided to apply these recommendations, which are in line with the corporate governance principles followed by Societe Generale since 1995.

The Board confirmed that the AFEP-MEDEF corporate governance code thus completed will continue to be Societe Generale's code of reference for the preparation of the report provided for in article L.225-37 of the French Commercial Code, in accordance with the Act of July 3rd 2008 that implements European Directive 2006/46/EC of June 14th 2006. This report will be made public in March 2009, after being approved by the Board of Directors.

##### **■ Executive officers compensation**

The examination of AFEP/MEDEF recommendations concerning the compensation of executive officers led the Board of Directors to decide that:

- Concerning the Chief Executive Officer Frédéric Oudéa:
  - the employment contract of the Chief Executive Officer, currently suspended, will cease in 2009, as soon as a new social protection scheme (health insurance and welfare) is put in place ;
  - as the termination of the employment contract will lead to the loss of the retirement benefits to which he was entitled as a Societe Generale senior manager, an indemnity of EUR 300K per year will be granted to him. This indemnity will be paid in addition to his fixed remuneration;
  - the maximum of his variable remuneration will be lowered from 240 to 200% of his fixed remuneration;
  - in case of termination of his mandate as Chief Executive Officer:
    - he would be bound by a non-competition clause prohibiting him from working in a French Bank or a listed financial institution for one year. As a compensation, he could continue to receive his fixed remuneration for one year.
    - if his departure is not the result of a failure or a resignation, he would be entitled to an indemnity equivalent to the difference between two years of remuneration (fixed + variable) and the compensation paid pursuant to the non-competition clause. This indemnity will be subject to a minimum performance condition based on the ROE of the Group.
- The situation of the other executive officers is unchanged, in accordance with the recommendations, except for the variable remuneration of the Deputy Chief Executive Officers, the ceiling of which will be lowered from 240 to 200% of their fixed remuneration.

### 3.2 COMPOSITION OF THE EXECUTIVE COMMITTEE AT OCTOBER 1ST 2008

#### ■ Press release dated September 30th 2008 : appointments of Jean-Pierre Mustier, Michel Pérétié and Philippe Collas

Jean-Pierre MUSTIER, Chief Executive Officer of Societe Generale Corporate and Investment Banking, is appointed Head Global Investment Management & Services and will be appointed Chairman & CEO of Societe Generale Asset Management replacing Alain CLOT whose new position within the Group will be announced subsequently. Jean-Pierre MUSTIER is a member of Societe Generale's Executive Committee. He will be seconded by Sylvie RUCAR, Chief Operating Officer of Global Investment Management & Services and a member of Societe Generale's Management Committee.

Michel PÉRETIE, is appointed Head Societe Generale Corporate and Investment Banking, as previously announced. He is a member of the Group's Executive Committee.

Philippe COLLAS, Chairman of SG Global Investment Management & Services, is appointed Senior Advisor to Frédéric OUDEA, CEO. He is a member of Societe Generale's Management Committee, as well as a member of the Group's Executive Committee for issues relevant to his areas of expertise.

#### ■ Executive Committee – October 2008

**Frédéric OUDEA**, Chief Executive Officer

**Philippe CITERNE**, Deputy Chief Executive Officer

**Séverin CABANNES**, Deputy Chief Executive Officer

**Didier ALIX**, Deputy Chief Executive Officer

**Jean-François GAUTIER**, Head, Specialized Financial Services

**Didier HAUGUEL**, Group Chief Risk Officer

**Hugues LE BRET**, Head, Group Communication

**Anne MARION-BOUCHACOURT**, Head, Group Human Resources

**Jean-Louis MATTEI**, Head, International Retail Banking

**Jean-Pierre MUSTIER**, Chief Executive Officer, Societe Generale Global Investment Management and Services and Chairman, Chief Executive Officer, Societe Generale Asset Management

**Michel PÉRETIE**, Chief Executive Officer, Societe Generale Corporate and Investment Banking

**Alain PY**, Chairman & Chief Executive Officer, Crédit du Nord

**Jean-François SAMMARCELLI**, Head, Retail Banking Societe Generale France

**Christian SCHRICKE**, Corporate Secretary and Chief Legal and Compliance Officer

**Didier VALET**, Group Chief Financial Officer

Christian POIRIER, Senior Advisor to the Chairman and the Chief Executive Officer, and Philippe COLLAS, Senior Advisor to the Chief Executive Officer, attend meetings for issues relevant to their areas of expertise.

### 3.3 STOCK OPTION PLANS: CORRECTION

Strike prices of Societe Generale's options shown on page 54 of the update filed on August 7th 2008 do not include the adjustments resulting from the capital increase of March 13th 2008.

Since this capital increase, strike prices are as follows:

Allocation date	Strike price
Jan. 12 <sup>th</sup> . 2001	€ 65.56
Jan. 16 <sup>th</sup> . 2002	€ 57.17
April 22 <sup>nd</sup> . 2003	€ 47.57
Jan. 14 <sup>th</sup> . 2004	€ 64.03
Jan. 13 <sup>th</sup> . 2005	€ 68.61
Jan. 18 <sup>th</sup> . 2006	€ 98.12
April 25 <sup>th</sup> . 2006	€ 113.72
Jan. 19 <sup>th</sup> . 2007	€ 121.93
Sept. 18 <sup>th</sup> . 2007	€ 109.87
March 21 <sup>st</sup> . 2008	€ 67.08



## IV. CHAPTER 9: RISK FACTORS

### 4.1 SPECIFIC FINANCIAL INFORMATION – FSF RECOMMENDATIONS FOR FINANCIAL TRANSPARENCY

## Unhedged CDOs exposed to the US residential mortgage sector

in EUR m	CDO* Super senior tranches		
	Portfolio # 1	Portfolio # 2	Portfolio # 3
Gross exposure at 31/12/07	1,401	1,736	1,717
Gross exposure at 30/06/08 <sup>(1)</sup>	1,273	1,610	1,403
Gross exposure at 30/09/08 <sup>(2)</sup>	0	1,771	1,454
Accounting portfolio	Trading	Trading	Trading
Underlying	mezzanine	high grade	mezzanine
Attachment point at 30/06/08 <sup>(3)</sup>	27%	10%	37%
Attachment point at 30/09/08 <sup>(3)</sup>	N/A	5%	37%
<b>At 30/09/08</b>			
% of underlying subprime assets	N/A	59%	73%
o.w. 2005 and earlier	N/A	22%	60%
o.w. 2006	N/A	23%	7%
o.w. 2007	N/A	14%	6%
% of Mid-prime and Alt-A underlying assets	N/A	7%	16%
% of Prime underlying assets	N/A	16%	10%
% of other underlying assets	N/A	18%	1%
<b>Total loss of value and write-downs booked in the income statement (incl. Q3 08) <sup>(4)</sup></b>	<b>10</b> (o.w. +606 in Q3 08)	<b>-805</b> (o.w. 0 in Q3 08)	<b>-547</b> (o.w. -295 in Q3 08)
% of total CDO write-downs at 30/09/08	0%	45%	38%
<b>Net exposure at 30/09/08 <sup>(1)</sup></b>	<b>0</b>	<b>966</b>	<b>907</b>

\* Excluding CDOs of RMBS' (at 30/09/2008)

(i) Previously hedged and booked as trading:  
- total nominal amount EUR 134m,  
- weighted attachment point: 70 %  
- residual risk after write-down: EUR 98m

(ii) Booked as AFS after reintermediation (PACE, etc.):

- nominal amount EUR 155m,  
- weighted attachment point: 7 %  
- residual risk after write-down: EUR 6m

\*\* Following early termination of CDOs in portfolio #1, Societe Generale is no longer exposed to these assets.

(1) Exposure at closing price

(2) The changes in outstandings vs. 30/06/08 are due to the amortisations linked to early redemptions of underlying assets.

(3) The change in attachment points had the following effects:

- upside: early redemptions at par value
- downside: defaulting of some underlying assets

(4) Write-down variations at historical exchange rate for each quarter

## Write-downs on assets of unhedged CDOs exposed to the US residential mortgage sector (portfolios #2 and #3)

Type of CDO assets	Gross nominal of underlying assets at 30 / 09 / 2008 (EUR m)	Write-down of underlying assets (EUR m) <sup>(1)</sup>	% Write-down / Gross nominal of underlying assets	After write-down Fair value of underlying assets (EUR m)	Structure of CDO
Prime	522	-56	-11%	466	25%
Mid-Prime	487	-378	-78%	109	6%
Subprime 2006 and 2007	986	-863	-87%	123	7%
Subprime 2005 and before	1,764	-783	-44%	981	52%
Tranches of CDOs	168	-168	-100%	0	0%
Others (Non RMBS)	187	-28	-15%	159	8%
Treasury	35	0	0%	35	2%
<b>TOTAL</b>	<b>4,149</b>	<b>-2,276</b>	<b>-55%</b>	<b>1,873</b>	<b>100%</b>

(1) Write-down of underlying assets corresponding to the sum of subordinated tranches and loss of value and write-downs on CDO tranches held.

# Unhedged CDOs: valuation assumptions and sensitivities, comparison with the ABX indices

## ■ Cumulative loss rate

### ▶ Subprimes

	2005	2006	2007	
Assumptions for cumulative Q1 08 losses	10.0%	25.0%	27.0%	
Assumptions for cumulative Q2 08 losses	10.0%	25.0%	27.0%	<b>Sensitivity</b>
Assumptions for cumulative Q3 08 losses	11.0%	25.0%	27.0%	+10% cumulative losses for each year of production ⇒ <b>EUR -244m</b>

▶ Mid-primes and Alt-A: assumptions for losses amounting to  $\frac{2}{3}$  of the assumptions used for underlying subprime assets

▶ Primes: assumptions for losses amounting to 14% of the assumptions used for underlying subprime assets

## ■ 100% write-down of CDO-type underlying assets

## ■ Write-down rate: comparison with ABX indices

	2005 production	2006 and 2007 production	
		A and above	BBB & below
<b>Société Générale</b>	-52%	-86%	-100%
<b>ABX indices</b>	N/A	-86%	-95%

## ■ Assumptions for total losses for the US residential mortgage market

▶ End-March and end-June 2008: around USD 385bn

▶ End-September 2008: around USD 410bn

# Protection purchased to hedge exposures to CDOs and other assets

## ■ From monoline insurers

En M EUR	Gross notional amount of hedged instruments	Gross notional amount of protection purchased	At Sept 30th 2008	
			Fair value of hedged instruments	Fair value of protection before value adjustments
<b>Protection purchased from monolines</b>				
Against CDOs (US residential mortgage market)	7,772	7,772	5,801	1,971
Against CDOs (excl. US residential mortgage market)	3,294	3,294	2,907	387
Against corporates credits (CLOs)	9,539	9,539	9,045	494
Against structured and infrastructure finance	2,316	2,316	2,117	199
<b>Other replacement risk</b>				412
			<b>Total</b>	<b>3,463</b>

(1) o.w. EUR 4bn in underlying subprime assets  
(Vintages: 2007: 3%, 2006: 18 %, 2005 and before: 79 %)

## ■ From other counterparties

▶ Fair value of protection purchased from other large financial institutions (multiline insurers and international banks): EUR 236m, after deduction of cash collateral, mainly corresponding to hedges of CDOs of structured RMBS' until the end of 2005.

## Protection purchased to hedge exposures to CDOs and other assets: valuation method

### ■ CDOs on the US residential mortgage market

- ▶ Application of the same methodologies and criteria as those used to value unhedged CDOs

### ■ Corporate loan CLOs

- ▶ Rating of tranches hedged by monolines: 98% AAA
- ▶ Distribution of underlying assets by rating: 1% BBB - 26% BB - 63% B - 9% CCC
- ▶ Cumulative loss rate over 5 years applied to underlying assets:
  - Rated on the most negative events observed over the last 30 years
  - According to underlying asset ratings: BBB: 5% - BB: 17% - B: 31% - CCC: 51% - below: 100%
- ▶ Weighted loss rate for underlying assets: 27%
- ▶ Weighted attachment point: 30%
- ▶ Weighted write-down of the SG portfolio: around 5%

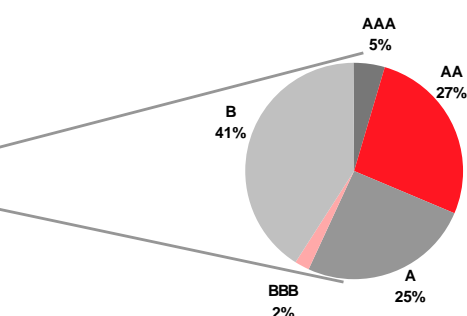
### ■ Other assets (CDOs excluding US residential mortgage market, infrastructure finance and other structured assets)

- ▶ Application of methods similar to those used for CLOs

**Liquidity add-on for all hedged assets, reflecting the changes in the indices or spreads**

## Exposure to counterparty risk on monoline insurers <sup>(a)</sup> Hedging of CDOs and other assets

EUR bn	Dec 31 07	Jun 30 08	Sep 30 08
Fair value of protection before value adjustments	1.9	2.6	3.5
Nominal amount of hedges purchased*	-0.6	-0.8	-0.9
Fair value of protection net of hedges and before value adjustments	1.3	1.8	2.6
Value adjustments for credit risk on monolines (booked on the protection)	-0.9	-1.2	-1.7
Residual exposure to counterparty risk on monolines	0.4	0.6	0.9
Total fair value hedging rate	77%	76%	73%



*The rating used is the lowest issued by Moody's or S&P (at Sept 30th 2008)*

AAA: Assured Guaranty, FSA

AA: Ambac

A: MBIA

BBB: Radian

B: CIFG, FGIC, Syncora Guarantee (named XL Capital until August 2008)

(a) Excluding defaulting counterparties: ACA from end-2007, Bluepoint at September 30th 2008

\* The nominal of hedges purchased from bank counterparties had a EUR +343m Mark to Market impact at September 30th 2008, which is neutralised in the income statement.

## Exposure to CMBS<sup>(a)</sup>

In EUR m	June 30th 08	Q3 08			Sept 30th 2008			
	Net exposure <sup>(1)</sup>	Impact on income statement	Impact on equity	Other movements <sup>(3)</sup>	Net exposure <sup>(1)</sup>	Gross exposure <sup>(2)</sup>	%AAA*	% AA & A*
<b>Trading portfolio</b>	1,084	- 78	-	- 72	934	1,159	42%	50%
<i>o.w. assets sold or transferred by SGAM to Corporate and Investment Banking</i>	901	- 69	-	- 65	768	964	35%	58%
<b>AFS portfolio</b>	343	5	- 17	- 19	312	366	75%	23%
<i>o.w. assets sold or transferred by SGAM to the Corporate Centre</i>	267	5	- 16	- 19	238	278	69%	29%
<b>HTM portfolio (assets sold or transferred by SGAM to the Corporate Centre)</b>	60	1	-	0	61	64	75%	25%
<b>TOTAL</b>	<b>1,487</b>	<b>- 72</b>	<b>- 17</b>	<b>- 91</b>	<b>1,307</b>	<b>1,589</b>	<b>51%</b>	<b>42%</b>

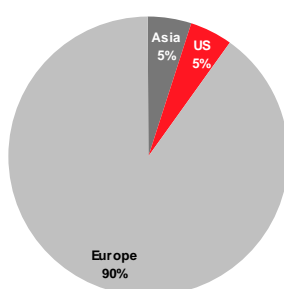
(1) Net of hedging and loss of value

(2) Remaining capital of assets before hedging

(3) Mainly includes disposals during the quarter, foreign exchange effects and specific reserves booked at 30/06/2008

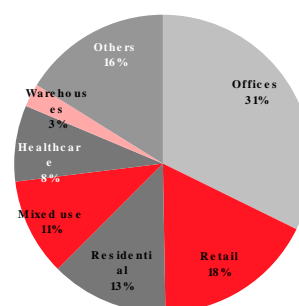
\* As a % of remaining capital

### 90% of European underlying assets\*



(a) Trading portfolio excluding "exotic credit portfolio" on page 14

### A well-diversified portfolio\*



## Exposure to US residential mortgage market: residential loans and RMBS<sup>(a)</sup>

### ■ Societe Generale has no residential mortgage loan origination activity in the United States

### ■ RMBS in the US (a)

In EUR m	June 30th 08	Q3 08			Sept 30th 2008			
	Net exposure <sup>(1)</sup>	Impact on income statement	Impact on equity	Other movements <sup>(3)</sup>	Net exposure <sup>(1)</sup>	Gross exposure <sup>(2)</sup>	%AAA*	% AA & A*
<b>Trading portfolio</b>	- 38	- 9	-	119	72	466	25%	21%
<b>AFS portfolio</b>	516	2	- 36	33	515	766	59%	19%
<b>HTM Portfolio</b>	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>478</b>	<b>- 6</b>	<b>- 36</b>	<b>152</b>	<b>588</b>	<b>1,232</b>	<b>46%</b>	<b>20%</b>

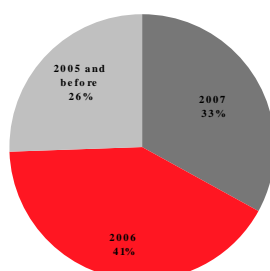
(1) Net of hedging and loss of value

(2) Remaining capital of assets before hedging

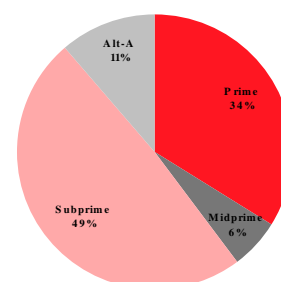
(3) Mainly includes disposals during the quarter, foreign exchange effects and specific reserves booked at 30/06/2008

\* As a % of remaining capital

### Breakdown of subprime assets by vintage\*



### Breakdown of RMBS portfolio by type\*



NB: Société Générale has a portfolio of mid-prime loans purchased from an originator who defaulted (EUR 298m in the banking book net of write-downs) and a warehousing position of prime loans in the form of a reverse repo (EUR 12m)

(a) Trading portfolio excluding "exotic credit portfolio" on page 14

# Exposure to residential mortgage markets in Spain and the UK

## ■ Societe Generale has no residential mortgage loan origination activity in Spain or the UK

### ■ RMBS “Spain”(a)

In EUR m	June 30th 08	Q3 08			Sept 30th 2008			
	Net exposure <sup>(1)</sup>	Impact on income statement	Impact on equity	Other movements <sup>(2)</sup>	Net exposure <sup>(1)</sup>	Gross exposure <sup>(2)</sup>	%AAA*	% AA & A*
Trading portfolio	418	- 28	-	- 59	331	433	71%	25%
<i>o.w. assets sold or transferred by SGAM to Corporate and Investment Banking</i>	406	- 28	-	- 59	319	417	70%	25%
AFS portfolio	209	7	- 17	- 9	191	225	96%	1%
<i>o.w. assets sold or transferred by SGAM to the Corporate Centre</i>	207	7	- 15	- 11	188	217	99%	1%
HTM portfolio ( <i>o.w. assets sold or transferred by SGAM to the Corporate Centre</i> )	29	0	-	- 6	23	24	100%	0%
<b>TOTAL</b>	<b>656</b>	<b>- 21</b>	<b>- 17</b>	<b>- 74</b>	<b>544</b>	<b>682</b>	<b>80%</b>	<b>16%</b>

### ■ RMBS “UK”(a)

In EUR m	June 30th 08	Q3 08			Sept 30th 2008			
	Net exposure <sup>(1)</sup>	Impact on income statement	Impact on equity	Other movements <sup>(2)</sup>	Net exposure <sup>(1)</sup>	Gross exposure <sup>(2)</sup>	%AAA*	% AA & A*
Trading portfolio	469	- 101	-	- 51	318	502	27%	64%
<i>o.w. assets sold or transferred by SGAM to Corporate and Investment Banking</i>	463	- 99	-	- 49	315	495	27%	63%
AFS portfolio	204	4	- 23	- 35	149	196	53%	34%
<i>o.w. assets sold or transferred by SGAM to the Corporate Centre</i>	159	4	- 12	- 36	115	138	64%	33%
HTM portfolio ( <i>o.w. assets sold or transferred by SGAM to the Corporate Centre</i> )	21	- 0	-	- 1	20	21	18%	82%
<b>TOTAL</b>	<b>694</b>	<b>- 97</b>	<b>- 23</b>	<b>- 87</b>	<b>487</b>	<b>719</b>	<b>33%</b>	<b>56%</b>

(1) Net of hedging and loss of value (2) Remaining capital of assets before hedging (3) Mainly includes disposals during the quarter, foreign exchange effects and specific reserves booked at 30/06/2008

(a) Trading portfolio excluding “exotic credit portfolio” on page 14

\* As a % of remaining capital

## Commercial conduits <sup>(1/2)</sup>

## ■ Description of 6 commercial conduits sponsored by Societe Generale by type of asset

In EUR m	Total assets	Nationality of assets	Breakdown of assets							Contractual maturity of assets			Amount of CP issued	Rating of CP issued
			Auto loans	Trade receivables	Consumer loans	Equipment loans	Other loans	RMBS	CMBS (AAA)	0-6 months	6-12 months	> 12 months		
ANTALIS (France)	5 088	Europe <sup>(1)</sup>	15%	66%	0%	0%	3%	12% <sup>(2)</sup>	4%	66%	0%	34%	5 134	P-1 - A1+
BARTON (United States)	8 788	United States <sup>(95%)</sup> Switzerland <sup>(5%)</sup>	37%	8%	34%	5%	15%	0%	0%	8%	21%	71%	8 820	P-1 - A1+
ASSET ONE (United States)	72	United States	0%	0%	100%	0%	0%	0%	0%	0%	44%	56%	72	F-1 - A1
ACE Canada (Canada)	276	Canada	100%	0%	0%	0%	0%	0%	0%	0%	0%	100%	276	not rated
ACE AUSTRALIA (Australia)	1 192	Australia	0%	0%	0%	0%	11%	89% <sup>(3)</sup>	0%	0%	0%	100%	1 077	P-1 - A1+
HOMES (Australia)	1 940	Australia	0%	0%	0%	0%	0%	100% <sup>(4)</sup>	0%	0%	0%	100%	1 960	P-1 - A1+
<b>TOTAL</b>	<b>17 356</b>		<b>25%</b>	<b>24%</b>	<b>18%</b>	<b>3%</b>	<b>9%</b>	<b>21%</b>	<b>1%</b>	<b>24%</b>	<b>11%</b>	<b>66%</b>	<b>17 339</b>	

(1) Conduit country of issuance

(1) 30% France, 16% Italy, 18% Germany, 13% Netherlands, 11% UK, 7% Spain, 5% Others

(2) 2 tranches: AAA & AA

(3) 97% AAA - 2% AA - 1% AA -

(4) 96% AAA - 1% AA - 3% AA -

NB: the RMBS' of conduits are rated, while the other underlying assets are retail assets with no external rating.

## Commercial conduits <sup>(2/2)</sup>

### ■ Societe Generale's exposure at September 30th 2008 as a sponsor of these conduits <sup>(1)</sup>

In EUR m	Available liquidity line granted by Société Générale	Letter of credit granted by Société Générale	"Commercial paper" held by Société Générale
ANTALIS (France)	5,954	225	672
BARTON (United States)	10,814	210	0
ASSET ONE (United States)	73	32	0
ACE Canada (Canada)	100	0	0
ACE AUSTRALIA (Australia)	1,113	30	287
HOMES (Australia)	2,017	48	512
<b>TOTAL</b>	<b>20,071</b>	<b>545</b>	<b>1,471</b>

### ■ Conduits sponsored by third parties <sup>(1)</sup>

- ▶ Total available liquidity lines: EUR 0.8bn via 9 conduits
- ▶ Total Commercial Papers purchased: EUR 0.6bn via 4 conduits

(1) No liquidity lines granted by Société Générale were drawn down in Q3 08

## Exotic credit derivatives

### Net exposure as 5-yr long risk equivalent (in EUR m)

#### ■ Business portfolio linked to client-driven activity

- ▶ Securities indexed on ABS credit portfolios marketed to investors
- ▶ Hedging of credit protection generated in SG's accounts by the purchase of the underlying ABS portfolio and the sale of indices
- ▶ Dynamic hedge management based on changes in credit spreads by adjusting the portfolio of ABS' held, positions on indices and the marketed securities

#### ■ Net position as 5-yr equivalent: EUR -0.5bn

- ▶ EUR 3.7bn of securities disposed of since the start of the year
- ▶ 95% of portfolio made up of A-rated securities and above

#### ■ Specific reserve for this activity: EUR 0.7bn

In EUR m	June 30th 2008	Sept 30th 2008
<b>American ABS</b>	<b>-2,089</b>	<b>-1,347</b>
RMBS <sup>(1)</sup>	-264	-188
o.w. Prime	287	204
o.w. Midprime	439	477
o.w. Subprime	-990	-869
CMBS <sup>(2)</sup>	-2,011	-1,345
Others	186	186
<b>European ABS</b>	<b>1,007</b>	<b>875</b>
RMBS <sup>(3)</sup>	475	375
o.w. UK	-3	151
o.w. Spain	227	148
o.w. others	251	76
CMBS <sup>(4)</sup>	411	367
Others	121	133
<b>Total</b>	<b>-1,082</b>	<b>-472</b>

(1) Net exposure corresponding to delta exposure of a hedged underlying portfolio of EUR 4.3bn (-6%\* vs. Q2 08) o.w. EUR 1.4bn Prime (-5%\* vs. Q2 08), EUR 2.2bn Midprime (-6%\* vs. Q2 08) and EUR 0.8bn Subprime (-10%\* vs. Q2 08)

(2) Net exposure corresponding to delta exposure of a hedged underlying portfolio of EUR 11bn (-3%\* vs. Q2 08)

(3) Net exposure corresponding to delta exposure of a hedged underlying portfolio of EUR 1bn (-36%\* vs. Q2 08) o.w. EUR 0.5bn (-22%\* vs. Q2 08) in the UK and EUR 0.2bn (-26%\* vs. Q2 08) in Spain

(4) Net exposure corresponding to delta exposure of a hedged underlying portfolio of EUR 0.8bn (-6%\* vs. Q2 08)

\* With a constant exchange rate

## Portfolio of assets transferred by SGAM or sold by SGAM funds

- Excluding RMBS' in the UK and Spain, and CMBS' sold or transferred by SGAM included in the aforementioned exposures (pages 9, 11 and 12)

In EUR m	Portfolio of assets purchased by Corporate and Investment Banking (Trading)				Portfolio of assets purchased by the Corporate Centre (AFS or HTM)			
	June 30th 08	Sept 30th 08	% AAA*	% AA & A *	June 30th 08	Sept 30th 08	% AAA*	% AA & A *
Banking and Corporate bonds	1 658	1 264	4%	49%				
Other RMBS	565	431	60%	26%	494	412	83%	14%
Other ABS	474	353	43%	43%	561	483	80%	18%
CDO	507	346	55%	36%	381	338	70%	27%
CLO	986	757	34%	54%	733	648	78%	21%
Other	65	50	0%	4%				
<b>Total</b>	<b>4,255</b>	<b>3,200</b>			<b>2,169</b>	<b>1,881</b>		

\* Calculation based on the remaining capital due

- No new asset purchases in Q3 08

## Exposure to LBO financing (total final take and for sale) <sup>(1/2)</sup>

In EUR bn	Corporate and Investment Banking		French Networks	
	June 30, 08	Sept 30, 08	June 30, 08	Sept 30, 08
<b>Final take</b>				
Number of accounts	107	108	45	57
Commitments	2.6	2.8	1.0	1.4
<b>Units for sale*</b>				
Number of accounts	11	14	4	6
Commitments	1.1	1.2	0.1	0.1
<b>Total</b>	<b>3.7</b>	<b>4.0</b>	<b>1.1</b>	<b>1.5</b>

\* o.w. units for syndication and residual units for sale in the secondary market

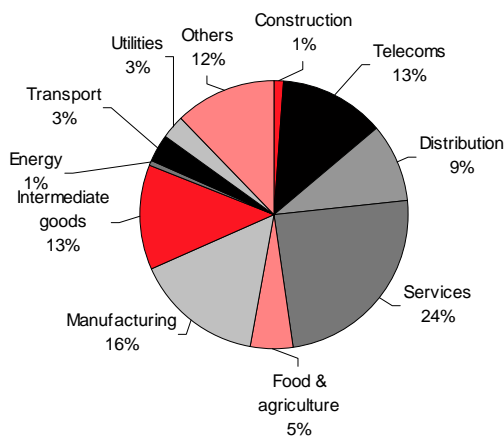
### ■ Corporate and Investment Banking

- ▶ Write-down stock of EUR 61m on units for sale marked at 90% on senior commitments and 85% on junior commitments
- ▶ Portfolio-based provision for final take at September 30th 2008: EUR 100m

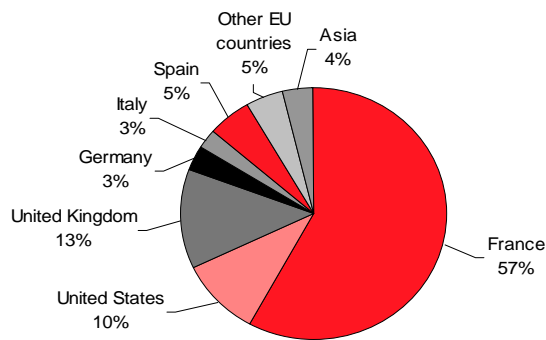
Exposure to LBO financing (total final take and for sale) (2/2)

**EUR 5.5bn**

Sector breakdown



Geographic breakdown





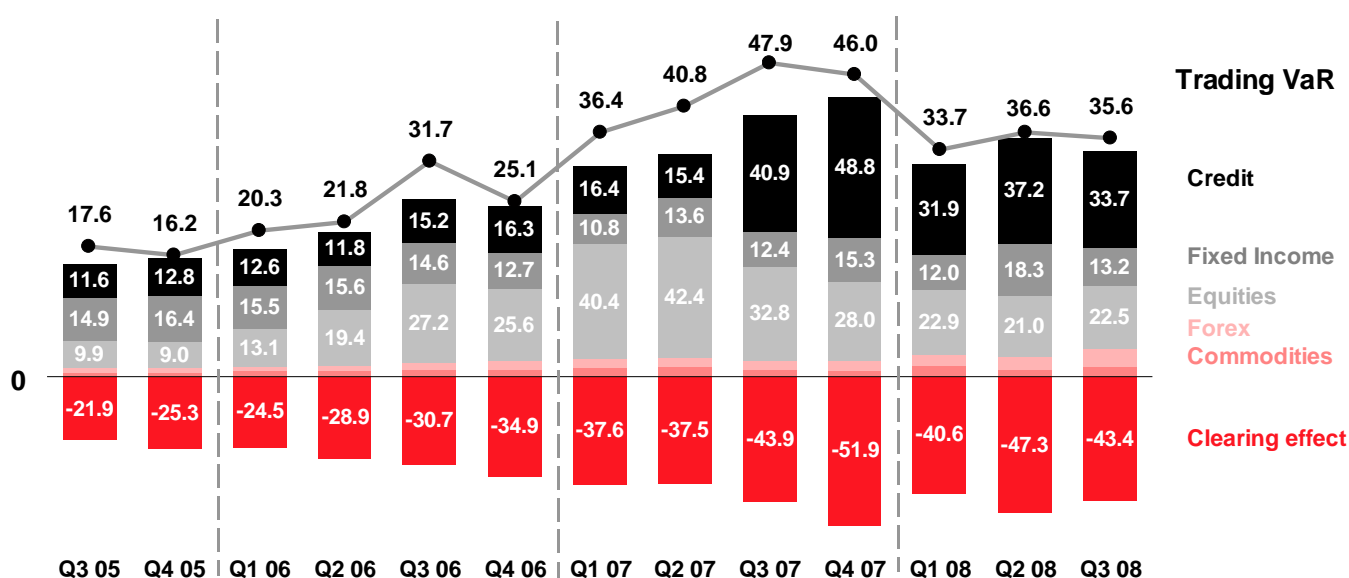
## 4.2 PROVISIONING OF DOUBTFUL LOANS

	31/12/2007	31/03/2008	30/06/2008	30/09/2008
Customer loans in EUR bn	326	339	351	368
Doubtful loans in EUR bn	11.4	12.5	13.0	13.8
Doubtful loans / Customer loans	3.5%	3.7%	3.7%	3.8%
Provisions in EUR bn*	6.8	7.5	7.7	8.0
Overall coverage ratio for doubtful loans	59%	60%	59%	58%

\* Excluding portfolio-based provisions of around EUR 1.0bn at September 30th 2008

## 4.3 CHANGE IN TRADING VAR

Quarterly average 99% Value at Risk (VaR), a composite indicator used to monitor the bank's daily risk exposure, notably for its trading activities, in millions of euros:



Since January 1<sup>st</sup> 2007, the Group incorporates variations in equity volatility (in the place of variations in index volatility).

Since January 1<sup>st</sup> 2008, the parameters for Credit VaR exclude positions on hybrid CDOs, which are now accounted for prudentially in the banking book.

## **V. CHAPTER 10: FINANCIAL INFORMATION**

### **5.1 THIRD QUARTER 2008 RESULTS (PRESS RELEASE DATED NOVEMBER 3RD 2008)**

#### **Third quarter 2008: satisfactory commercial performances, reduction in exposures at risk**

- **Revenues: +10.0% vs. Q3 07 excluding the effect of non-recurring items<sup>(b)</sup>**
- **Commercial performances**
  - **NBI for Retail Banking and Financial Services: +9.7%\* vs. Q3 07**
  - **NBI for Corporate and Investment Banking's client-driven activities: EUR 1.3bn<sup>(b)</sup> (vs. EUR 1.4bn<sup>(b)</sup> in Q3 07)**
- **Cost of risk: 67 bp**
- **Operating income: EUR 724m**
- **Group net income: EUR 183m**

#### **2008 9-month results: Group net income of EUR 1.9bn, proforma Tier One ratio 9.0% (after deeply subordinated notes subscribed by the SPPE - French Government Shareholding Company)**

- **Revenues: +3.2% vs. 9M 07 excluding the effect of non-recurring items<sup>(b)</sup>**
- **Cost to income ratio: 70.6%**
- **Group ROE after tax: 8.6%**
  - **ROE of 15%\*\* excluding non-recurring items(b)**
- **Tier One Ratio (Basel II) at September 30th 2008 (excluding government plan): 8.5% including 6.8% of Core Tier One**

(a) Reported 2007 historic quarterly results have been restated for the fictitious operations recorded on unauthorized and concealed market activities

The quarterly results at March 31st 2007, June 30th 2007, September 30th 2007 and December 31st 2007, presented for comparative purposes, have been adjusted to restate the accounting consequences of the fictitious operations recorded in 2007 and 2008 on unauthorized and concealed market activities discovered in January 2008. This information is presented in Appendix 3. However, in order to provide more relevant information on the Group's performance, the figures in this document correspond to reported historic data. The comments are also based on these reported data.

<sup>(b)</sup>: All non-recurring items (affecting NBI, cost of risk and net income from other assets) are presented in Appendix 4

\* When adjusted for changes in Group structure and at constant exchange rates

\*\* Without taking into account adjustments related to performance-linked pay

At its November 2nd 2008 meeting, the Board of Directors of Societe Generale approved the financial statements for the third quarter of 2008. The Group generated net income of EUR 1.9 billion in the first nine months of the year, with a Q3 contribution of EUR 0.2 billion. Q3 net income was affected by the worsening financial crisis and the prudent provisioning of exposures at risk, and has not benefited from the early application (on July 1st 2008) of the amendment to IAS 39. That said, the Group continued to experience satisfactory commercial performances in all its businesses and endeavoured to substantially reduce its exposures at risk, strictly control market risks, and achieve a high level of solvency.

Examining the Group's situation at the end of Q3 2008, the Board of Directors felt gratified with the solvency level, which enables the Group to pursue its strategy despite a challenging environment.

## 1. GROUP CONSOLIDATED RESULTS

The Societe Generale Group has not used the amendment to IAS 39 in respect of Q3 08. The amendment allows certain illiquid securities in the trading portfolio to be transferred to the portfolio of assets available for sale or held until maturity.

<i>In EUR million</i>	Q3 08	Q3 07 <sup>(a)</sup>	Change Q3/Q3	9M 08	9M 07 <sup>(a)</sup>	Change 9M/9M
Net banking income	5,108	5,375	-5.0%	16,371	18,043	-9.3%
<i>On a like-for-like basis*</i>			-8.2%			-12.3%
Operating expenses	-3,697	-3,374	+9.6%	-11,559	-10,889	+6.2%
<i>On a like-for-like basis*</i>			+8.0%			+4.0%
Gross operating income	1,411	2,001	-29.5%	4,812	7,154	-32.7%
<i>On a like-for-like basis*</i>			-34.7%			-36.5%
Operating income	724	1,775	-59.2%	3,140	6,550	-52.1%
<i>On a like-for-like basis*</i>			-62.9%			-54.5%
Net income	183	1,123	-83.7%	1,923	4,298	-55.3%

	Q3 08	Q3 07 <sup>(a)</sup>
Group ROE after tax	1.7%	18.0%
ROE of core businesses after tax	10.1%	23.3%

	9M 08	9M 07 <sup>(a)</sup>
	8.6%	23.8%
	12.6%	30.7%

(a): Reported data not restated for the accounting consequences of the fictitious operations recorded in 2007 on unauthorized and concealed market activities. The restated data appear in Appendix 3. However, in order to provide more relevant information on the Group's performance, the figures correspond to reported historic data. The comments are also based on these reported historic data.

Autumn 2008 was marked by major economic and financial upheavals. Since the collapse of Lehman Brothers and Washington Mutual in September, the financial crisis has intensified leading to the virtual paralysis of the interbank market for several weeks, illustrated by the significant widening of 3-month rate/Overnight Index Swap spreads.

In order to restore the trust which is vital for the smooth functioning of interbank activity, the main central banks have injected substantial liquidity into the markets on several occasions. Governments have also put in place coordinated plans designed to prevent any sudden rupture in the distribution of loans. In France, the implementation of the European plan involves a two-pronged approach:

- Measures to reinforce banks' solvency: the French government has set up the Société de Prises de Participations de l'Etat (*Government Shareholding Company*) primarily for the subscription to equity and quasi-equity securities issued by banks for a total of EUR 40 billion. EUR 1.7 billion of deeply subordinated notes will be issued by Societe Generale in Q4 08, out of a total of EUR 10.5 billion earmarked for the six main French banking groups. The issue will result in an increase of around 50 basis points in the Group's Tier 1 ratio.

- The setting up of the Société de Financement de l'Economie Française (*Company for the Financing of the French Economy*) which will provide banks with medium/long-term borrowing facilities for a maximum total budget of EUR 265 billion, secured against good quality collateral.
- In return for this government package, Societe Generale has set itself a target of 4% growth (on an annual basis) in its outstanding loans to the French economy in 2009 (range of 3-4% for all the banks).

These exceptional measures are starting to pay off. In recent days, we have seen the gradual reopening of interbank markets and a decline in money market and bond market interest rates.

Despite the tougher economic environment and the significant seasonality of some activities, the Group's revenues were higher in Q3 2008 than in Q2 2008, excluding non-recurring items.

- In the **French Networks**, the Group's robust performance was achieved in a challenging environment marked by customers' aversion to stock market investments and the negative effects on the interest margin of successive increases in regulated savings rates. The impact of the exceptional fraud at the beginning of the year is subsiding, with the gradual return to a steady stream of new personal current accounts opened for individual customers.
- **International Retail Banking** continued to enjoy dynamic growth. Despite recent market volatility, which is affecting the perception of some countries in which it operates, such as Russia or Romania, the Group remains confident that these countries exhibit attractive features for banking activities over the medium/long-term horizon. Against the backdrop of declining economic growth in these countries (which nevertheless remains higher than in Western European countries and the United States), the Group has adopted a more selective credit distribution policy, adapting it according to customer segment, currency and product.
- **Financial Services** is more sensitive to the deterioration in the economic environment than the retail banking businesses. Its customer franchises nevertheless continue to make progress.
- Within **Global Investment Management and Services**, Private Banking achieved a remarkable commercial performance given the environment, whereas Securities Services saw its revenue levels affected by the financial markets downturn. In Asset Management, the Group has implemented a recovery plan aimed at adapting the business product and organisation.
- **Corporate and Investment Banking** produced good commercial performances, with the division endeavouring to closely monitor its risks against the backdrop of extremely volatile equity markets. The Q3 results demonstrate the ability to maintain a healthy level of activity, while successfully steering away from the spillover of violent movements in the financial markets (the market trend has become erratic since the collapse of Lehman Brothers). The Group also significantly reduced its exposures at risk during the quarter (particularly those relating to the US residential property market, see "Specific Financial Information") and increased write-downs on remaining exposures.

### **Net banking income**

The Group's Q3 08 net banking income totalled EUR 5,108 million, down -8.2%\* (-5.0% in absolute terms) vs. Q3 07. The change in absolute terms, compared with the previous quarter, is -8.5%.

The Group's core business (Retail Banking and Financial Services) saw its revenues increase (+9.7%\*) vs. Q3 07. Underpinning this healthy trend, the French Networks' net banking income rose +2.4% after adjustment for changes in the PEL/CEL provision. International Retail Banking and Financial Services continued to grow, with revenue increases respectively of +26.5%\* and +7.7%\*.

Given its sensitivity to the downturn in the equity markets, Asset Management saw revenues decline -24.8%\* vs. Q3 07, without recording any further write-downs in the quarter. Private Banking's net banking income remained healthy with EUR 198 million over the period, while Securities Services posted revenues up +8.6%\* vs. Q3 07.

Corporate and Investment Banking's revenues totalled EUR 1.7 billion excluding non-recurring items (these amounted to EUR -1.1 billion, see details in Appendix 4). They were down -8.5% vs. Q2 08

(but up +20.9% vs. Q3 07). Revenues were underpinned by robust client-driven activities, generating revenues of EUR 1.3 billion. Confronted with very challenging market conditions in Q3, the Group adopted a prudent stance in managing its trading positions and continued to reduce its exposures at risk.

Net banking income totalled EUR 16,371 million in the first 9 months of the year, down -12.3%\* (-9.3% in absolute terms) vs. 9M 07. Revenues were up +3.2% excluding non-recurring items.

### **Operating expenses**

Operating expenses rose +8.0%\* (+9.6% in absolute terms) vs. Q3 07 as a result of investments in international retail banking, financial services and private banking.

Societe Generale's cost to income ratio was 72.4% in Q3 08. It increased automatically vs. Q3 07 due to the effect of non-recurring items on net banking income and the Q3 07 comparison base effect on costs.

The Group's C/I ratio was 70.6% in the first 9 months of the year vs. 60.4% a year earlier.

### **Operating income**

The businesses contributed EUR 1,612 million to the Group's Q3 gross operating income. Societe Generale recorded total gross operating income of EUR 1,411 million over this period (-34.7%\* vs. Q3 07).

Gross operating income in the first 9 months of the year (EUR 4,812 million) was down -36.5%\* (-32.7% in absolute terms) vs. 9M 07.

The Group's cost of risk amounted to EUR 687 million in Q3 08 or 67 bp on the basis of its Basel I risk-weighted assets.

- There was a limited increase in the cost of risk (33 bp) of the French Networks.
- When adjusted for the effect of integrating Rosbank, the cost of risk for International Retail Banking remains reasonable (57 bp). With Rosbank, it stands at 71 bp and remains within the Group's anticipated through the cycle range for the business (60-80 bp).
- The rise in the cost of risk to 127 bp for Financial Services can be attributed to structure effects and the rapid growth of consumer credit outstandings in emerging countries.
- The higher cost of risk for Corporate and Investment Banking reflects the increase in provisions for non-incurred losses (EUR 132 million) and the effect of a number of financial counterparties defaulting during the quarter, representing EUR 40 million.

Overall, it is probable that the deterioration in the economic environment will continue to adversely affect households' and companies' financial situation. Societe Generale expects the effects on its cost of risk of the economic slowdown to be mitigated by:

- its presence in the French market which is comparatively less risky than some other European markets
- the implementation of a selective loan origination policy in specific countries (currency loans in Romania, corporate loans in Russia)
- a reasonably sized and well-diversified loan portfolio for large corporates, with proactive concentration management.

The Group's Q3 operating income totalled EUR 724 million, down -62.9%\* vs. Q3 07 (-59.2% in absolute terms).

Operating income for 9M 08 amounted to EUR 3,140 million, down -54.5%\* vs. the same period in 2007 (-52.1% in absolute terms).

## **Net income**

After tax (the Group's effective tax rate was 44.9% in Q3) and minority interests, Group net income in Q3 08 was down -87.4%\* vs. Q3 07 at EUR 183 million (-83.7% in absolute terms). The Group's Q3 ROE after tax was 1.7%. If non-recurring items are excluded it would be around 14%\*\*.

Group net income for the first 9 months of 2008 came to EUR 1,923 million, down -56.3%\* (-55.3% at constant structure) vs. the same period in 2007. The Group's ROE after tax stood at 8.6% for 9M 08. It continued to be heavily impacted during this period by numerous non-recurring items (some of which are directly related to the effect of specific accounting rules) affecting its revenues to the tune of EUR -2,318 million and net income before tax for around EUR -2,048 million. When adjusted for these items, the Group's ROE after tax is around 15%\*\*.

Earnings per share for the first 9 months of 2008 amounts to EUR 3.36.

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\*\* Without taking into account adjustments related to performance-linked pay

## 2. THE GROUP'S FINANCIAL STRUCTURE

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At September 30th 2008, Group shareholders' equity totalled EUR 35.2 billion<sup>1</sup> and net asset value per share was EUR 53.6 (including EUR -1.4 of unrealised capital losses).

The Group repurchased 0.1 million shares in Q3 08 or 1.0 million in the first 9 months of 2008 as part of its share buyback policy. At end-September 2008, Societe Generale held 30.0 million treasury shares (representing 5.1% of the capital), excluding shares held for trading purposes.

Societe Generale acquired 1.3 million purchase options after September 30th 2008 designed to cover the stock option plan allocated in January 2007. Following this operation, Societe Generale has 7.1 million purchase options on its own share in order to cover the plans allocated to its employees.

Finally, on the authorisation of the CECEI (*French Credit Institutions and Investment Firms Committee*) dated September 24th 2008, the Board of Directors' meeting on November 2nd 2008 proceeded with the cancellation of 10.0 million shares (1.7% of the capital) representing an acquisition value of EUR 1,218 million. The cancellation has no impact on the Group's book and regulatory equity but reduces Societe Generale's share capital from EUR 738,409,055 divided into 590,727,244 shares to EUR 725,909,055 divided into 580,727,244 shares.

Basel II risk-weighted assets amounted to EUR 340.2 billion in Q3 08 vs. EUR 340.4 billion in Q2 08. The Tier One ratio stood at 8.5% at September 30th (including 6.8% for Core Tier One). The calculation of this ratio takes account of the dividend provision on an assumed 45% payout ratio, representing the equivalent of 25 bp of Core Tier One. Proforma Tier One at September 30th is 9.0% including the government measures.

The Group is rated AA- by S&P and Fitch, and Aa2 by Moody's.

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<sup>1</sup> This figure includes notably (i) EUR 4.4 billion of deeply subordinated notes, EUR 0.9 billion of undated subordinated notes and (ii) EUR -0.8 billion of unrealised capital losses.

### 3. FRENCH NETWORKS

<i>In EUR million</i>	Q3 08	Q3 07	Change Q3/Q3	9M 08	9M 07	Change 9M/9M
Net banking income	1,781	1,746	+2.0%	5,274	5,271	+0.1%
<i>NBI excl. PEL/CEL, Euronext</i>			+2.4%			+1.8%
Operating expenses	-1,128	-1,108	+1.8%	-3,435	-3,379	+1.7%
Gross operating income	653	638	+2.4%	1,839	1,892	-2.8%
<i>GOI excl. PEL/CEL, Euronext</i>			+3.5%			+2.0%
Net allocation to provisions	-116	-68	+70.6%	-296	-224	+32.1%
Operating income	537	570	-5.8%	1,543	1,668	-7.5%
Net income	345	364	-5.2%	985	1,060	-7.1%
<i>Net income excl. PEL/CEL, Euronext</i>			-3.6%			-2.0%

	Q3 08	Q3 07
ROE after tax	18.9%	23.0%

9M 08	9M 07
18.8%	23.0%

In an environment marked by the sharp deterioration in economic growth, the **French Networks** confirmed their healthy position with resilient activity and satisfactory performances.

The number of personal current accounts for **individual customers** rose by a net 27,100 units in Q3 08 (representing more than 98,000 net new accounts year-on-year), taking the total to 6.3 million at end-September 2008. Average outstanding balance sheet savings (EUR 69.7 billion in the third quarter 2008) increased +1.5% in Q3 08.

Life insurance inflows amounted to EUR 1.6 billion in Q3 08, down -19.5% compared to Q3 07 vs. -13% for bancassuranceurs. The decline is due to a combination of two factors: firstly, savers' strong risk aversion against the backdrop of extremely volatile financial markets, leading to a sharp drop in payments into unit-linked policies; secondly, the competition from liquid savings where the return for tax-exempt savings accounts since the beginning of August has reached a level on a par with that of with-profit policies, without the long-term saving commitment. The number of stock market orders placed in Q3 saw a parallel decline of 30.5% vs. Q3 07.

Outstanding housing loans rose 10.1% vs. Q3 07. The French Networks have left unchanged their commercial policy of offering competitively priced loans to individuals.

**The business customer market** was strong in Q3 08. Average outstanding balance sheet deposits rose sharply in Q3 (+32.4% vs. Q3 07 to EUR 27.8 billion). At the same time, average outstanding loans to French Networks' business customers continued to grow strongly vs. Q3 07:

- +13.8% for operating loans,
- +19.5% for investment loans.

Excluding the PEL/CEL provision, the French Networks generated net banking income of EUR 1,781 million in Q3, or +2.4% vs. Q3 07 (no PEL/CEL effect in Q3 08 vs. a EUR 7 million write-back in Q3 07). Including the PEL/CEL effect, net banking income was 2.0% higher over the period.

Interest income was 1.5% higher than in Q3 07 (excluding the PEL/CEL provision), with growth in outstandings offsetting the downward pressures on the interest margin due primarily to higher regulated savings rates.

Commission income rose +3.5% over the period vs. Q3 07. Financial commissions (-15.2%) continue to be penalised by plummeting stock market indexes, which automatically reduces securities



outstandings. Service commissions remained robust in Q3 (+10.3%), underpinned by the optimisation of synergies between Retail Banking customers in France and the Corporate and Investment Banking businesses.

Operating expenses rose +1.8% vs. Q3 07. The cost to income ratio (excluding the effect of the PEL/CEL provision) declined 0.4 point vs. Q3 07 to 63.3%.

There was a limited increase in the cost of risk (33 bp in Q3 08 vs. 25 bp in Q3 07). It remains lower than the cycle average.

As a result of these developments, the French Networks' contribution to Group net income (excluding PEL/CEL provision) totalled EUR 345 million in Q3 08 vs. EUR 358 million in Q3 07.

ROE stood at 18.9% (excluding the effect of the PEL/CEL provision) vs. 22.6% in Q3 07 (excluding the effect of the PEL/CEL provision).

Net banking income in the first 9 months of the year (excluding the PEL/CEL provision and Euronext capital gain) was up +1.8% at EUR 5,280 million. Operating expenses have risen +1.7% since the beginning of the financial year compared with 9M 07. Gross operating income excluding the effect of the PEL/CEL provision (EUR 1,845 million) was stable vs. 9M 07, with the C/I ratio standing at 65.1% (stable vs. 2007 excluding Euronext capital gain). The contribution to Group net income for 9M 08 (excluding the effect of the PEL/CEL provision) was 3.8% lower.

Finally, ROE was 18.9% in the first nine months of the year (excluding the PEL/CEL provision).

#### 4. INTERNATIONAL RETAIL BANKING

<i>In EUR million</i>	Q3 08	Q3 07	Change Q3/Q3	9M 08	9M 07	Change 9M/9M
Net banking income	1,301	871	+49.4%	3,629	2,494	+45.5%
<i>On a like-for-like basis*</i>			+26.5%			+20.9%
Operating expenses	-668	-494	+35.2%	-2,011	-1,457	+38.0%
<i>On a like-for-like basis*</i>			+11.6%			+11.5%
Gross operating income	633	377	+67.9%	1,618	1,037	+56.0%
<i>On a like-for-like basis*</i>			+46.2%			+34.1%
Net allocation to provisions	-127	-44	x 2,9	-293	-155	+89.0%
Operating income	506	333	+52.0%	1,325	882	+50.2%
<i>On a like-for-like basis*</i>			+40.3%			+35.4%
Net income	255	172	+48.3%	685	484	+41.5%

	Q3 08	Q3 07
ROE after tax	36.8%	35.9%

9M 08	9M 07
36.3%	35.8%

(b): Excluding non-recurring items in Appendix 4

International Retail Banking activity remained buoyant in Q3 08 despite the financial crisis: the division's revenues totalled EUR 1,301 million in Q3 (including EUR +75 million of non-recurring items), up +26.5%\* vs. Q3 07. These sound, recurring performances (+22.1%\* in Q1 08 and +14.2%\* in Q2 08 compared with the same periods in 2007) are underpinned by a targeted geographical network in high-growth potential areas.

International Retail Banking's total revenues for the first 9 months represented EUR 3,629 million, up +20.9%\* vs. 9M 07.

The activity indicators at end-September 2008 for International Retail Banking clearly illustrate solid business dynamics:

- International Retail Banking's customer franchise consists of 12 million individual customers, up +8.4%\* year-on-year (excluding the integration of Rosbank);
- a network of more than 3,600 branches, including 320 openings at constant structure since September 2007;
- more than 59,000 staff assisting International Retail Banking customers, with headcount growth of more than 3,000 year-on-year and at constant structure;
- outstanding deposits and loans up by respectively +9.0%\* and +29.3%\* for individual customers and by +15.1%\* and +27.9%\* for business customers;
- a "Loans/Deposits" ratio of 100%.

Despite the contagion of the liquidity crisis, the Central and Eastern European countries where the Group operates, as well as Russia, boast more attractive medium-term growth prospects than the economies of Western Europe or the United States. Although these countries cannot remain immune to the economic slowdown now affecting most industrialised countries, the growth differential is likely to remain in their favour over the next few years. Their underlying fundamentals, which vary according to their specific circumstances (prospects of joining the Euro zone, commodity resources, low public debt), are also likely to act as a stabilising factor. As such, the Russian economy and its banking system still have considerable development potential despite the volatility of the Russian stock

market: in fact the IMF is forecasting growth (revised in October 2008) of more than 5% in 2009. Meanwhile, Romania offers excellent macro-economic prospects in the medium-term, with still substantial potential for the extension of banking services and the growing “euroisation” of its economy. BRD continued to grow in Q3 08 while adapting its commercial policy to current market conditions. Finally, in the Czech Republic, Komerční Banka provided further evidence of its excellent commercial momentum.

The increase in operating expenses remained contained at +11.6%\* (+35.2% in absolute terms<sup>1</sup>) in Q3 08 and at constant structure. The increase is limited to +7.8%\* if branch network development costs are excluded. The slower increase in operating expenses compared with revenue growth resulted in an improved cost to income ratio which stood at 54.5%<sup>(b)</sup> in Q3 08 vs. 56.7% a year earlier.

The trend is comparable for the first 9 months. The increase in operating expenses amounted to +11.5%\* (+38.0% in absolute terms<sup>1</sup>) and +7.5%\* (excluding network development costs). The cost to income ratio was lower at 56.6%<sup>(b)</sup> (vs. 58.4% for the same period in 2007).

As a result, Q3 gross operating income increased significantly vs. Q3 07 (up +26.4%\* at EUR 558<sup>(b)</sup> million and +48.0%<sup>(b)</sup> in absolute terms<sup>1</sup>). The increase in the first 9 months of the year was +34.1%\* vs. the same period in 2007 (+48.8%<sup>(b)</sup> in absolute terms<sup>1</sup>).

At end-September 2008, the cost of risk was up at 71 bp vs. 42 bp a year earlier, due primarily to the integration of Rosbank. The cost of risk stood at 57 bp excluding Rosbank.

Finally, the division's contribution to Group net income totalled EUR 218<sup>(b)</sup> million in Q3, up +43.4%\* vs. Q3 07 (+26.7%<sup>(b)</sup> in absolute terms). The total increase for the first 9 months was 38.2%\* (33.9%<sup>(b)</sup> in absolute terms).

ROE after tax stood at 31.5%<sup>(b)</sup> in Q3 (35.9% in Q3 07). It stood at 34.3%<sup>(b)</sup> for the first 9 months (vs. 35.8% over the same period in 2007).

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<sup>1</sup> Mainly due to the integration of Rosbank

## 5. FINANCIAL SERVICES

<i>In EUR million</i>	Q3 08	Q3 07	Change Q3/Q3	9M 08	9M 07	Change 9M/9M
Net banking income	804	707	+13.7%	2,403	2,040	+17.8%
<i>On a like-for-like basis*</i>			+7.7%			+10.2%
Operating expenses	-454	-375	+21.1%	-1,337	-1,091	+22.5%
<i>On a like-for-like basis*</i>			+12.8%			+12.9%
Gross operating income	350	332	+5.4%	1,066	949	+12.3%
<i>On a like-for-like basis*</i>			+1.9%			+7.2%
Net allocation to provisions	-149	-102	+46.1%	-396	-272	+45.6%
Operating income	201	230	-12.6%	670	677	-1.0%
<i>On a like-for-like basis*</i>			-14.2%			-1.5%
Net income	133	147	-9.5%	454	432	+5.1%

	Q3 08	Q3 07
ROE after tax	12.2%	15.6%

9M 08	9M 07
14.5%	15.7%

The **Financial Services** division comprises

- (i) **Specialised Financing** (consumer credit, equipment finance, operational vehicle leasing and fleet management, IT leasing and management)
- (ii) **Life and Non-Life Insurance.**

The different Specialised Financing businesses continued to expand during Q3 2008.

**Consumer credit** expanded its footprint in Russia with the setting up of a partnership with “Banque PSA Finance”. The agreement will help cater to the financing needs of individual customers by offering the full product range including credit, leasing, insurance and services, as well as floor plan financing for Peugeot and Citroën dealerships (financing of stocks of vehicles and spare parts). A consumer credit business has also been started up in Egypt, within NSGB, a further illustration of the synergies implemented across the Group.

Consumer credit produced healthy performances in Q3 08, with growth in new business representing EUR 3.6 billion (or +30.6%\* vs. Q3 07 and +21.9%\* in the first 9 months) and outstandings at end-September 2008 at EUR 21.0 billion (or +20.5%\* vs. Q3 07).

As for **Equipment Finance**, the Group is pursuing its policy of assisting key international equipment manufacturers in the countries where they operate. SG Equipment Finance has set up two new subsidiaries and taken a position in the leasing market in Croatia and Brazil. In Europe, where it is the leader in the equipment market, SG Equipment Finance has also extended its offering with the acquisition of 100% of PEMA GmbH, thus opening up the leasing market to include truck services. New financing<sup>1</sup> was virtually stable in Q3 (+1.0%\* vs. Q3 07). It advanced strongly (+8.5%\*) in the first 9 months, driven by Germany (+10.0%\* in 9 months) and Italy (+23.4%\* in 9 months). SG Equipment Finance's outstandings<sup>1</sup> rose 10.8%\* in Q3, amounting to EUR 18.5 billion at end-September 2008.

**In operational vehicle leasing and fleet management**, the vehicle fleet (more than 773,000 vehicles at end-September 2008) continued to grow at a healthy rate (+8.4%\* vs. last year). Although

<sup>1</sup> Excluding factoring

the fastest year-on-year growth in the fleet under management was in India (x 2.3), Lithuania (x 2.2) and Brazil (x 2.1), France and Germany also achieved good performances in Q3 (with respective growth in the vehicle fleet of +5.2% and +8.7% year-on-year), enabling ALD Automotive to retain its ranking as the No. 2 in Europe.

Driven by strong commercial momentum, **Specialised Financing** revenues were up +9.1%\* (+16.3% in absolute terms) vs. Q3 07, at EUR 685 million in Q3 08. With total net banking income for the first 9 months of EUR 2,027 million, the increase was +11.3%\* (+20.4% in absolute terms) compared with end-September 2007.

As a result of ongoing international investments, operating expenses were up +12.8%\* (+22% in absolute terms) in Q3 and +12.6%\* in the first 9 months (+23.4% in absolute terms). Against this backdrop, gross operating income of EUR 275 million in Q3 08 was up +4.1%\* (+8.7% in absolute terms) vs. Q3 07. With a total of EUR 826 million in the first 9 months, the increase was +9.5%\* (+16.2% in absolute terms) compared with end-September 2007.

The division's cost of risk increased automatically due to the growing proportion of emerging country consumer credit in the total. It stood at 127 bp in Q3 08 (vs. 101 bp in Q3 07).

Once again this quarter, **Life insurance** encountered a particularly challenging environment. Against this backdrop, gross new inflow fell 13.3% vs. Q3 07, amounting to EUR 1.55 billion in Q3, with the proportion invested in unit-linked policies (EUR 272 million) continuing to decline in favour of with-profits policies.

That said, life insurance revenues fell slightly (-0.9%\*) in Q3 08 vs. Q3 07, but remained higher (+4.5%\*) in the first 9 months compared with the same period in 2007.

The **Financial Services** division generated total operating income in Q3 of EUR 201 million, down -14.2%\* (-12.6% in absolute terms) vs. Q3 07. Operating income in the first 9 months of the year represented EUR 670 million, down -1.5%\* compared with the same period in 2007.

The contribution to Group net income amounted to EUR 133 million in Q3 08, down -10.7%\* (-9.5% in absolute terms) vs. Q3 07. However, on a cumulative basis at end-September, the contribution to Group net income was up +4.4%\* (+5.1% in absolute terms) compared with the same period last year, at EUR 454 million.

ROE after tax stood at 12.2% in Q3 08 and 14.5% in the first 9 months of the year (lower than in Q3 07 and the first 9 months of 2007).

## 6. GLOBAL INVESTMENT MANAGEMENT AND SERVICES

<i>In EUR million</i>	Q3 08	Q3 07	Change Q3/Q3	9M 08	9M 07	Change 9M/9M
Net banking income	746	854	-12.6%	2,213	2,889	-23.4%
<i>On a like-for-like basis**</i>			-7.8%			-25.0%
Operating expenses	-640	-638	+0.3%	-1,957	-1,964	-0.4%
<i>On a like-for-like basis**</i>			+10.1%			+7.0%
Operating income	94	214	-56.1%	242	917	-73.6%
<i>On a like-for-like basis**</i>			-60.8%			-81.9%
Net income	68	137	-50.4%	175	602	-70.9%
<i>o.w. Asset Management</i>	-6	40	NM	-106	199	NM
<i>Private Banking</i>	46	51	-9.8%	156	157	-0.6%
<i>SG SS, Brokers &amp; Online Savings</i>	28	46	-39.1%	125	246	-49.2%

EUR bn	Q3 08	Q3 07	9M 08	9M 07
Net new money over the period <sup>(c)</sup>	-6.1	-10.2	-13.7	26.2
Assets under management (at end of period <sup>(c)</sup> )	371	450	371	450

<sup>(c)</sup> Excluding assets managed by Lyxor

\*\* Excluding Fimat and Newedge

(b): Excluding non-recurring items in Appendix 4

**Global Investment Management and Services consists of three major activities:**

- (i) **asset management (Societe Generale Asset Management)**
- (ii) **private banking (SG Private Banking)**
- (iii) **Societe Generale Securities & Services (SG SS), brokers (Newedge), and online savings (Boursorama).**

**Global Investment Management and Services** is suffering from the effects of the stock market decline, with revenues generally lower than in Q3 07.

**Asset Management's** overall contribution to Group net income was close to breakeven in Q3 08. The Group has put in place a recovery plan aimed at adapting the offering and organisational structure of its Asset Management business to the new economic and financial environment. In addition to reviewing customer targets and the product offering, Asset Management is also considering a prospective merger between Lyxor Asset Management (whose assets under management represented EUR 70.3 billion at September 30th 2008) and SGAM AI in order to consolidate its position in its alternative, structured and index-linked investment activities. Such a combination could help (i) broaden the product shelf, and (ii) leverage revenue and cost synergies.

The deterioration in stock market indexes has also impacted **SG SS, Brokers and Online Savings**, whose contribution to Group net income was lower than in Q3 07.

Meanwhile, **Private Banking** continued to produce satisfactory commercial performances in all its operations thanks to strong business activity. It is supporting this growth with various expansion projects both inside and outside France.

The division's assets under management totalled EUR 371.0 billion at end-September 2008 vs. EUR 381.4 billion at end-June 2008. This was due to (i) the outflow from and decline in the equity markets, and (ii) a favourable exchange rate effect.

Overall, the division generated net banking income in Q3 (EUR 746 million) down -16.4%<sup>(b)</sup> (-12.6% in absolute terms) vs. Q3 07. Operating income was down -56.6%<sup>(b)</sup> (-56.1% in absolute terms) vs. Q3 07. The contribution to Group net income totalled EUR 68 million in Q3 08, down -51.7%<sup>(b)</sup> (-50.4% in absolute terms) vs. Q3 07.

The division generated total net banking income in the first 9 months of 2008 (EUR 2,213 million) down -10.0%<sup>(b)</sup> (-23.4% in absolute terms) vs. 9M 07. Over this same period, operating income fell -33.2%<sup>(b)</sup> (-73.6% in absolute terms) and the contribution to Group net income amounted to EUR 175 million, down -29.7%<sup>(b)</sup> (-70.9% in absolute terms) due primarily to the financial crisis' effect on asset management.

### **Asset management**

In this challenging environment, SGAM's assets under management at September 30th were lower this quarter at EUR 298.0 billion (EUR -11.2 billion vs. June 30th 2008) with very modest residual assets in dynamic money market funds (EUR 1.3 billion at September 30th 2008). Year-on-year, assets under management were 20.5% lower due to a number of negative effects: exchange rate (EUR -2.4 billion), market (EUR -48.7 billion), and cumulative outflows (EUR -26.1 billion including EUR -15.3 billion for dynamic money market funds and EUR -10.0 billion for CDOs).

Q3 net banking income was down -34.8%<sup>(b)</sup> (-25.5% in absolute terms) vs. Q3 07, with a gross margin of 17 points. The decline in net banking income vs. Q3 07 can be attributed primarily to the drop in value of managed assets and the contraction of different commissions, as well as the recording of EUR -33 million of seed fund write-downs and EUR 12 million of provisions in respect of its exposure to Lehman Brothers. Operating expenses increased +11.7%\* in Q3 (+8.0% in absolute terms) vs. Q3 07, a quarter which saw substantial provision write-backs related to performance-linked pay.

Gross operating income and the contribution to Group net income amounted to respectively EUR -9 million and EUR -6 million in Q3 08.

Net banking income for 9M 08 was lower (-27.3%<sup>(b)</sup>, or -54.0% in absolute terms) as were operating expenses (-0.7%\*, or -3.1% in absolute terms) vs. 9M 07. Gross operating income in the first 9 months of 2008 totalled EUR -168 million (EUR 314 million for 9M 07) given the impact of the liquidity crisis in H1 2008.

### **Private banking**

SG Private Banking provided further evidence in Q3 08 of the quality of its customer franchise and the soundness of its targeted expansion strategy both inside and outside France (acquisitions, greenfield operations or external and internal partnerships). SG Private Banking continues to expand its joint venture with the French Networks by setting up a regional network of 6 specialist operations (June 2008: Bordeaux – September 2008: Lyons and Marseilles – and planned for 2009: Lille, Rennes, Strasbourg). At the same time, the Group is also pursuing its organic growth projects in Private Banking in high-potential markets such as China, after opening a branch in Shanghai in October 2007.

The third quarter performances of SG Private Banking remain satisfactory in a challenging environment:

- revenues contracted slightly -1.0%\* vs. Q3 07 (-1.5% in absolute terms),
- the gross margin stood at 109 basis points,
- net inflows amounted to EUR 1.8 billion (or 11% of assets on an annualised basis). Assets under management totalled EUR 73.0 billion at end-September 2008, vs. EUR 75.5 billion a year earlier (due solely to unfavourable market and exchange rate effects). Net inflows in the first 9 months of 2008 totalled EUR +4.2 billion.

The 4.7%\* increase vs. Q3 07 (+3.8% in absolute terms) in Private Banking's operating expenses can be attributed to commercial investments across all markets. Gross operating income was down -11.4%\* vs. Q3 07 (-11.3% in absolute terms) at EUR 63 million.

Overall and after taking into account an exceptional EUR 10 million loss on exposure to Washington Mutual, the contribution to Group net income came to EUR 46 million in Q3 08, up +3.9%<sup>(b)</sup> vs. Q3 07 (-9.8% in absolute terms).

Private Banking's net banking income for the first 9 months was up +4.4%<sup>(b)</sup> vs. 9M 07 (+4.2% in absolute terms), while operating expenses increased +8.5%\* (+7.2% in absolute terms). Its contribution to Group net income amounted to EUR 156 million over this period, slightly higher (+4.5%<sup>(b)</sup>) than in Q3 07 (-0.6% in absolute terms).

### **Societe Generale Securities Services (SG SS), Brokers (Newedge) and Online savings (Boursorama)**

**Securities services** continued to expand strongly in Q3 08, with 8.6%\* growth in net banking income vs. Q3 07 (+13.1% in absolute terms). As a result, assets under custody rose +6.2% vs. September 30th 2007 to EUR 2,744 billion. Assets under administration (EUR 481 billion at September 30th 2008) increased +20.2% year-on-year.

Despite a less favourable environment in 2008 than in 2007, the **brokerage business** enjoyed strong sales volumes in Q3 2008. Having been ranked No. 1 FCM (*Futures Commission Merchant*) at end-August 2008, in terms of US customer deposit amounts, **Newedge** recorded 398 million trades executed and 456 million contracts cleared in Q3.

In the case of **Boursorama**, the number of orders executed fell -14.0% vs. Q3 07 but was 4.6% higher than in Q2 08. Outstanding online savings were 3.2%\* lower than in Q2 08, at EUR 3.13 billion at end-September 2008. Lastly, Q3 provided further evidence of the attraction of Boursorama's banking offering in France with more than 5,275 accounts opened in Q3 08 (more than 15,580 since January 1st 2008), taking the total number of bank accounts to 74,691 at end-September 2008.

Net banking income for SGSS, Brokers and Online Savings advanced +4.0%\* vs. Q3 07 (-10.5% in absolute terms<sup>1</sup>). Operating expenses were 12.7%\* higher (-5.1% in absolute terms) than in Q3 07. As a result, the division's Q3 gross operating income was 28.6%\* lower than in Q3 07, while the contribution to Group net income was down -20.0%\* vs. Q3 07.

Net banking income in the first 9 months of the year was down -3.0%<sup>(b)</sup> compared with the same period in 2007 (-14.6% in absolute terms<sup>1</sup>), while operating expenses increased +15.4%\* (-1.5% in absolute terms). The contribution to Group net income for 9M 08 was down -8.1%<sup>(b)</sup> vs. 9M 07.

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<sup>1</sup> In addition to the restatement related to the Euronext capital gain recorded in Q2 07, it should be noted that any interpretation of the changes in the results of SGSS, Brokers and Online Savings is affected by the change in structure related to the consolidation of Newedge. Societe Generale has consolidated 50% of Newedge on a proportional basis since Q1 08. This therefore constitutes a smaller entity than the 100% of Fimat consolidated until end-2007.



## 7. CORPORATE AND INVESTMENT BANKING

<i>In EUR million</i>	Q3 08	Q3 07 <sup>(a)</sup>	Change Q3/Q3	9M 08	9M 07 <sup>(a)</sup>	Change 9M/9M
<b>Net banking income</b>	647	1,159	-44.2%	2,873	5,183	-44.6%
<i>On a like-for-like basis*</i>			-43.2%			-42.6%
<i>Financing and Advisory</i>	518	375	+38.1%	1,410	1,178	+19.7%
<i>Fixed Income, Currencies and Commodities</i>	-379	105	NM	-482	1,214	NM
<i>Equities</i>	508	679	-25.2%	1,945	2,791	-30.3%
<b>Operating expenses</b>	-777	-743	+4.6%	-2,732	-2,936	-6.9%
<i>On a like-for-like basis*</i>			+9.6%			-2.9%
<b>Gross operating income</b>	-130	416	NM	141	2,247	-93.7%
<i>On a like-for-like basis*</i>			NM			-93.6%
<b>Net allocation to provisions</b>	-270	-9	NM	-659	51	NM
<b>Operating income</b>	-400	407	NM	-518	2,298	NM
<i>On a like-for-like basis*</i>			NM			NM
<b>Net income</b>	-244	310	NM	-291	1,697	NM

	Q3 08	T3-07 <sup>(a)</sup>
<b>ROE after tax</b>	NM	21.1%

9M 08	9M 07 <sup>(a)</sup>
NM	40.1%

(a): Reported data not restated for the accounting consequences of the fictitious operations recorded in 2007 on unauthorized and concealed market activities. The restated data appear in Appendix 3. However, in order to provide more relevant information on Corporate and Investment Banking's performance, the figures correspond to reported historic data. The comments are also based on these reported historic data.

(b): Excluding non-recurring items in Appendix 4.

**Corporate and Investment Banking's** Q3 results continued to be affected by a very challenging market environment characterized by the collapse of a number of financial institutions, a sharp decline in equity markets accompanied by strong volatility and correlation, the dislocation of credit markets and the ongoing deterioration of some asset classes. Despite this unfavorable environment, the Group succeeded in significantly reducing its exposures at risk in Q3, either by selling/hedging them, or on account of the break-up of certain synthetic CDOs due to the default of a number of banks.

As in Q2, the division's revenues therefore include non-recurring items<sup>(b)</sup> related to the financial crisis: the effects of bank collapses and valuation write-downs on assets related to the US residential property market were partially offset by the positive effect on Mark to Market of CDOs and the revaluation of financial liabilities. As in Q2 08, comments on the trend in the division's revenues under net banking income are made excluding non-recurring items. However, other data in the operating account, particularly operating income and the contribution to Group net income, are communicated and commented upon taking into account these items.

The division's restated revenues amounted to EUR 1,726 million vs. EUR 1,428 million in Q3 07, representing an increase of 20.9%. The good level of activity in Q3 (excluding non-recurring items) can be explained by the fine commercial performance, driven by market activities and prudent management of trading positions. Restated net banking income for 9M 08 totaled EUR 5,144 million vs. EUR 5,398 million for 9M 07.

**Equities** activities enjoyed a strong quarter in adverse market conditions, with net banking income of EUR 660 million excluding non-recurring items, down -3.1%<sup>(b)</sup> vs. Q3 07 and -14.4%<sup>(b)</sup> vs. Q2 08. The business line's revenues were driven by resilient client-driven activities (-12.3%<sup>(b)</sup> vs. Q3 07 but up +2.5%<sup>(b)</sup> vs. Q2 08) against the backdrop of a general decline in volumes. Flow products produced an excellent performance with new business up +14.3% vs. Q3 07 and +17.4% compared with the previous quarter. However, structured products were penalized by an unfavorable seasonal impact and investors' "wait-and-see" attitude against the backdrop of a sharp decline in the markets. SG CIB confirmed its global leadership position in equity derivatives with its award for "Best Equity derivative provider in Europe, Asia and North America", its ranking as global No. 1 by 'RISK Interdealer Rankings 2008' and its position as global No. 1 in Warrants with a 14.3% market share at end-September 2008. Trading revenues were reasonably strong (EUR 161 million excluding non-recurring items or +43.8%<sup>(b)</sup> vs. Q3 07 and -43.3%<sup>(b)</sup> vs. Q2 08). Arbitrage results were lower but remain positive despite very challenging market conditions. Conversely, volatility trading enjoyed a robust performance.

Revenues for the **Fixed Income, Currencies & Commodities** business totaled EUR 744 million excluding non-recurring items, up +140.0%<sup>(b)</sup> vs. Q3 07 and +4.9%<sup>(b)</sup> vs. Q2 08. Once again this quarter, the business line achieved record client-driven revenues driven by flow products, interest rate and forex structured products, and commodities. These results demonstrate the ongoing expansion of our customer franchises in these activities, as testified by several rankings awarded by 'RISK Interdealer Rankings 2008' (No. 2 Euro interest rate caps/floors, No. 5 Euro inflation swaps) and the award for "Global Best Commodities House" by Risk Magazine 2008. Trading results were up in Q3 08 vs. Q3 07 (EUR 299 million vs. EUR -72 million excluding non-recurring items in Q3 07) and up +10.7%<sup>(b)</sup> vs. Q2 08, with a healthy performance in cash instruments and commodities trading activities.

**Financing & Advisory** revenues totaled EUR 322 million, down -26.3%<sup>(b)</sup> vs. Q3 07 and -20.7%<sup>(b)</sup> vs. Q2 08. Against the backdrop of a deteriorated market, the business line recorded a mixed performance. Structured financing related to infrastructure, natural resources and acquisitions produced robust performances, with in particular prime involvement in operations such as the financing of EDF's purchase of British Energy (GBP 11 billion). In a declining market, Corporate and Investment Banking has retained its market share in euro bond issues compared with the previous quarter (No. 5 in Euro Bonds). As these different transactions illustrate, the division has continued to provide financing for its clients and their transactions. Finally, market conditions remain unfavorable for leverage and property financing activities.

Operating expenses for Corporate and Investment Banking were up +9.6%\* (+4.6% in absolute terms) vs. Q3 07, which represented a particularly low comparison base following the write-backs booked on bonus provisions. The downward adjustment of our cost base is partially offset by our investments related to the strengthening of our risk control infrastructure. Operating expenses in the first 9 months of the year were down -2.9%\* (-6.9% in absolute terms) and the cost to income ratio stood at 53.1%<sup>(b)</sup> vs. 54.4%<sup>(b)</sup> for 9M 07.

The division recorded EUR 270 million of provision expenses in Q3 08 related primarily to the provisions for non-incurred losses (EUR 132 million) and the default of a number of banks (EUR 40 million).

Corporate and Investment Banking generated operating income of EUR -400 million in Q3 08 and EUR -518 million for 9M 08. It made a negative contribution to Group net income of EUR -244 million in Q3 and EUR -291 million in the first 9 months of the year.

## 8. CORPORATE CENTRE

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The Corporate Centre recorded gross operating income of EUR -201 million in Q3 2008 (vs. EUR +22 million in Q3 2007), mainly due to the booking of permanent impairment write-downs on the equity portfolio (EUR 142 million). At September 30th 2008, the IFRS net book value of the industrial equity portfolio, excluding unrealized capital gains, amounted to EUR 755 million, representing market value of EUR 847 million.

## 9. CONCLUSION

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The Q3 08 results, prepared on a prudent basis, demonstrate the robustness of the universal banking model that the Group has developed over a number of years. Despite a very deteriorated environment, business remained buoyant with underlying profitability for the Group (excluding non-recurring items) of around 14% in Q3. The Group has also significantly reduced its exposures at risk and increased its provisioning coverage on remaining exposures.

At end-September 2008, Basel II proforma Tier One was a commendable 9.0%, with a Core Tier One of 6.8%, illustrating the Group's balance sheet strength. This sound solvency coupled with the quality of its various customer franchises will help Societe Generale to successfully pursue its strategy as well as weather a potential deterioration in the economic environment in 2009.

### ***2009 financial communication calendar***

<b>February 18th 2009</b>	<b>Publication of fourth quarter and FY 2008 results</b>
<b>May 7th 2009</b>	<b>Publication of first quarter 2009 results</b>
<b>August 5th 2009</b>	<b>Publication of second quarter 2009 results</b>
<b>November 4th 2009</b>	<b>Publication of third quarter 2009 results</b>

This document contains a number of forecasts and comments relating to the targets and strategies of the Societe Generale Group.

These forecasts are based on a series of assumptions, both general and specific. As a result, there is a risk that these projections will not be met. Readers are therefore advised not to rely on these figures more than is justified as the Group's future results are liable to be affected by a number of factors and may therefore differ from current estimates.

Investors are advised to take into account factors of uncertainty and risk when basing their investment decisions on information provided in this document. Neither Societe Generale nor its representatives may be held liable for any loss resulting from the use of this presentation or its contents, or anything relating to them, or any document or information to which the presentation may refer.

Unless otherwise specified, the sources for the rankings are internal.

## APPENDIX 1: FIGURES AND QUARTERLY RESULTS BY CORE BUSINESS

CONSOLIDATED INCOME STATEMENT (in millions of euros)	3rd quarter				9 months			
	2008	2007 <sup>(a)</sup>	Change Q3/Q3		2008	2007 <sup>(a)</sup>	Change 9M/9M	
Net banking income	5,108	5,375	-5.0%	-8.2%(*)	16,371	18,043	-9.3%	-12.3%(*)
Operating expenses	(3,697)	(3,374)	+9.6%	+8.0%(*)	(11,559)	(10,889)	+6.2%	+4.0%(*)
<b>Gross operating income</b>	<b>1,411</b>	<b>2,001</b>	<b>-29.5%</b>	<b>-34.7%(*)</b>	<b>4,812</b>	<b>7,154</b>	<b>-32.7%</b>	<b>-36.5%(*)</b>
Net allocation to provisions	(687)	(226)	x 3,0	x 3,0*	(1,672)	(604)	x 2,8	x 2,6*
<b>Operating income</b>	<b>724</b>	<b>1,775</b>	<b>-59.2%</b>	<b>-62.9%(*)</b>	<b>3,140</b>	<b>6,550</b>	<b>-52.1%</b>	<b>-54.5%(*)</b>
Net income from other assets	18	(3)	NM		659	27	NM	
Net income from companies accounted for by the equity method	2	12	-83.3%		14	32	-56.3%	
Impairment losses on goodwill	0	0	NM		0	0	NM	
Income tax	(333)	(484)	-31.2%		(1,284)	(1,816)	-29.3%	
<b>Net income before minority interests</b>	<b>411</b>	<b>1,300</b>	<b>-68.4%</b>		<b>2,529</b>	<b>4,793</b>	<b>-47.2%</b>	
o.w. minority interests	228	177	+28.8%		606	495	+22.4%	
<b>Net income</b>	<b>183</b>	<b>1,123</b>	<b>-83.7%</b>		<b>1,923</b>	<b>4,298</b>	<b>-55.3%</b>	
Annualised Group ROE after tax (%)	1.7%	18.0%			8.6%	23.8%		
Tier One ratio at end of period (Basel I)	8,0%	7.7%			8,0%	7.7%		

\* When adjusted for changes in Group structure and at constant exchange rates

NET INCOME AFTER TAX BY CORE BUSINESS (in millions of euros)	3rd Quarter			9 months		
	2008	2007 <sup>(a)</sup>	Change Q3/Q3	2008	2007 <sup>(a)</sup>	Change 9M/9M
<b>French Networks</b>	<b>345</b>	<b>364</b>	<b>-5.2%</b>	<b>985</b>	<b>1,060</b>	<b>-7.1%</b>
<b>International Retail Banking</b>	<b>255</b>	<b>172</b>	<b>+48.3%</b>	<b>685</b>	<b>484</b>	<b>+41.5%</b>
<b>Financial Services</b>	<b>133</b>	<b>147</b>	<b>-9.5%</b>	<b>454</b>	<b>432</b>	<b>+5.1%</b>
<b>Global Investment Management &amp; Services</b>	<b>68</b>	<b>137</b>	<b>-50.4%</b>	<b>175</b>	<b>602</b>	<b>-70.9%</b>
o.w. Asset Management	(6)	40	NM	(106)	199	NM
o.w. Private Banking	46	51	-9.8%	156	157	-0.6%
o.w. SG SS, Brokers & Online Savings	28	46	-39.1%	125	246	-49.2%
<b>Corporate &amp; Investment Banking</b>	<b>(244)</b>	<b>310</b>	<b>NM</b>	<b>(291)</b>	<b>1,697</b>	<b>NM</b>
<b>CORE BUSINESSES</b>	<b>557</b>	<b>1,130</b>	<b>-50.7%</b>	<b>2,008</b>	<b>4,275</b>	<b>-53.0%</b>
<b>Corporate Centre</b>	<b>(374)</b>	<b>(7)</b>	<b>NM</b>	<b>(85)</b>	<b>23</b>	<b>NM</b>
<b>GROUP</b>	<b>183</b>	<b>1,123</b>	<b>-83.7%</b>	<b>1,923</b>	<b>4,298</b>	<b>-55.3%</b>

(a): Reported data not restated for the accounting consequences of the fictitious operations recorded in 2007 on unauthorized and concealed market activities. The restated data appear in Appendix 3.

## QUARTERLY RESULTS BY CORE BUSINESSES

	2005 - IFRS (incl. IAS 32 & 39 and IFRS 4)				2006 - IFRS (incl. IAS 32 & 39 and IFRS 4)				2007 - IFRS (incl. IAS 32 & 39 and IFRS 4)				2008 - IFRS (incl. IAS 32 & 39 and IFRS 4)			
(in millions of euros)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>French Networks</b>																
Net banking income	1,545	1,513	1,559	1,678	1,698	1,730	1,677	1,728	1,736	1,789	1,746	1,787	1,739	1,754	1,781	
Operating expenses	-1,093	-1,081	-1,054	-1,088	-1,130	-1,093	-1,084	-1,143	-1,145	-1,126	-1,108	-1,187	-1,161	-1,146	-1,128	
Gross operating income	452	432	505	590	568	637	593	585	591	663	638	600	578	608	653	
Net allocation to provisions	-68	-67	-64	-85	-61	-71	-55	-88	-78	-78	-68	-105	-87	-93	-116	
Operating income	384	365	441	505	507	566	538	497	513	585	570	495	491	515	537	
Net income from other assets	0	1	0	1	0	2	1	2	3	1	0	0	1	1	0	
Net income from companies accounted for by the equity method	0	1	0	0	0	1	0	1	0	1	0	1	0	1	1	
Income tax	-134	-129	-154	-177	-173	-192	-185	-169	-176	-199	-192	-169	-167	-176	-182	
Net income before minority interests	250	238	287	329	334	377	354	331	340	388	378	327	325	341	356	
o.w. minority interests	12	11	11	11	13	14	12	13	13	19	14	12	13	13	11	
Net income	238	227	276	318	321	363	342	318	327	369	364	315	312	328	345	
Average allocated capital	4,897	5,063	5,208	5,375	5,547	5,702	5,756	5,806	5,965	6,155	6,335	6,466	6,631	7,015	7,289	
ROE after tax	19.4%	17.9%	21.2%	23.7%	23.1%	25.5%	23.8%	21.9%	21.9%	24.0%	23.0%	19.5%	18.8%	18.7%	18.9%	
<b>International Retail Banking</b>																
Net banking income	541	572	576	656	641	669	695	781	763	860	871	950	1,116	1,212	1,301	
Operating expenses	-327	-341	-349	-402	-378	-395	-415	-456	-465	-498	-494	-529	-649	-694	-668	
Gross operating income	214	231	227	254	263	274	280	325	298	362	377	421	467	518	633	
Net allocation to provisions	-28	-27	-29	-47	-48	-53	-47	-67	-58	-53	-44	-49	-88	-78	-127	
Operating income	186	204	198	207	215	221	233	258	240	309	333	372	379	440	506	
Net income from other assets	8	-2	0	-1	9	-1	1	-2	20	1	-2	9	-3	13	1	
Net income from companies accounted for by the equity method	1	1	1	1	2	3	2	4	8	11	8	9	4	1	2	
Income tax	-54	-57	-55	-58	-58	-58	-59	-67	-64	-78	-82	-96	-79	-94	-108	
Net income before minority interests	141	146	144	149	168	165	177	193	204	243	257	294	301	360	401	
o.w. minority interests	47	50	49	48	57	57	57	61	60	75	85	92	109	122	146	
Net income	94	96	95	101	111	108	120	132	144	168	172	202	192	238	255	
Average allocated capital	875	919	967	1,074	1,103	1,164	1,401	1,597	1,701	1,796	1,917	2,025	2,275	2,503	2,770	
ROE after tax	43.0%	41.8%	39.3%	37.6%	40.3%	37.1%	34.3%	33.1%	33.9%	37.4%	35.9%	39.9%	33.8%	38.0%	36.8%	
<b>Financial Services</b>																
Net banking income	459	494	498	570	562	592	594	656	645	688	707	798	775	824	804	
Operating expenses	-250	-263	-268	-317	-304	-318	-321	-347	-344	-372	-375	-435	-428	-455	-454	
Gross operating income	209	231	230	253	258	274	273	309	301	316	332	363	347	369	350	
Net allocation to provisions	-38	-49	-57	-55	-66	-60	-60	-87	-84	-86	-102	-102	-113	-134	-149	
Operating income	171	182	173	198	192	214	213	222	217	230	230	261	234	235	201	
Net income from other assets	0	0	0	0	0	0	0	-1	0	1	0	0	0	-1	0	
Net income from companies accounted for by the equity method	0	0	0	-8	1	-3	-2	-10	-2	-3	-1	-1	-3	8	-2	
Income tax	-60	-64	-59	-69	-67	-75	-74	-75	-73	-77	-78	-87	-72	-71	-62	
Net income before minority interests	111	118	114	121	126	136	137	136	142	151	151	173	159	171	137	
o.w. minority interests	2	2	3	4	3	4	3	4	4	4	4	5	5	4	4	
Net income	109	116	111	117	123	132	134	132	138	147	147	168	154	167	133	
Average allocated capital	2,604	2,706	2,797	2,909	3,094	3,264	3,301	3,462	3,560	3,681	3,779	3,884	4,013	4,144	4,346	
ROE after tax	16.7%	17.1%	15.9%	16.1%	15.9%	16.2%	16.2%	15.3%	15.5%	16.0%	15.6%	17.3%	15.4%	16.1%	12.2%	

	2005 - IFRS (incl. IAS 32 & 39 and IFRS 4)				2006 - IFRS (incl. IAS 32 & 39 and IFRS 4)				2007 - IFRS (incl. IAS 32 & 39 and IFRS 4)				2008 - IFRS (incl. IAS 32 & 39 and IFRS 4)			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>Global Investment Management &amp; Services</b>																
Net banking income	602	608	640	734	769	775	767	884	919	1,116	854	852	597	870	746	
Operating expenses	-415	-435	-455	-547	-523	-552	-564	-659	-649	-677	-638	-744	-654	-663	-640	
Gross operating income	187	173	185	187	246	223	203	225	270	439	216	108	-57	207	106	
Net allocation to provisions	0	-1	-1	-4	-3	-1	-1	-3	-1	-5	-2	-33	0	-2	-12	
Operating income	187	172	184	183	243	222	202	222	269	434	214	75	-57	205	94	
Net income from other assets	0	0	0	0	0	0	0	-1	0	0	-2	-4	0	1	-1	
Net income from companies accounted for by the equity method	0	0	0	0	1	-1	0	0	0	0	0	0	0	0	0	
Income tax	-58	-54	-56	-55	-75	-69	-65	-64	-83	-136	-64	-12	25	-60	-25	
Net income before minority interests	129	118	128	128	169	152	137	157	186	298	148	59	-32	146	68	
o.w. minority interests	12	9	11	11	14	10	5	9	10	9	11	9	-1	8	0	
Net income	117	109	117	117	155	142	132	148	176	289	137	50	-31	138	68	
Average allocated capital	810	917	930	919	1,019	1,052	1,074	1,197	1,239	1,282	1,456	1,550	1,506	1,421	1,400	
ROE after tax	57.8%	47.5%	50.3%	50.9%	60.8%	54.0%	49.2%	49.5%	56.8%	90.2%	37.6%	12.9%	NM	38.8%	19.4%	
<b>o.w. Asset Management</b>																
Net banking income	269	259	286	338	333	305	295	348	340	345	243	191	-18	264	181	
Operating expenses	-154	-163	-178	-220	-193	-196	-186	-230	-212	-226	-176	-227	-201	-204	-190	
Gross operating income	115	96	108	118	140	109	109	118	128	119	67	-36	-219	60	-9	
Net allocation to provisions	0	0	0	-2	0	0	0	1	0	0	0	-4	0	0	2	
Operating income	115	96	108	116	140	109	109	119	128	119	67	-40	-219	60	-7	
Net income from other assets	0	0	0	0	0	0	0	-1	0	0	-2	-4	0	0	0	
Net income from companies accounted for by the equity method	0	0	0	0	1	-1	0	0	0	0	0	0	0	0	0	
Income tax	-39	-33	-36	-39	-47	-38	-38	-39	-43	-41	-22	15	72	-20	2	
Net income before minority interests	76	63	72	77	94	70	71	79	85	78	43	-29	-147	40	-5	
o.w. minority interests	9	7	7	8	9	2	3	2	3	1	3	1	-8	1	1	
Net income	67	56	65	69	85	68	68	77	82	77	40	-30	-139	39	-6	
Average allocated capital	287	327	307	272	287	293	276	265	277	302	404	502	450	301	268	
ROE after tax	93.4%	68.5%	84.7%	101.5%	118.5%	92.8%	98.6%	116.2%	118.4%	102.0%	39.6%	NM	NM	51.8%	NM	
<b>o.w. Private Banking</b>																
Net banking income	127	129	135	149	164	164	156	174	191	198	201	233	214	203	198	
Operating expenses	-86	-90	-93	-107	-102	-106	-105	-121	-118	-126	-130	-157	-133	-133	-135	
Gross operating income	41	39	42	42	62	58	51	53	73	72	71	76	81	70	63	
Net allocation to provisions	0	0	-1	0	-2	0	-1	-1	0	-1	0	0	-1	-1	-10	
Operating income	41	39	41	42	60	58	50	52	73	71	71	76	80	69	53	
Net income from other assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Net income from companies accounted for by the equity method	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Income tax	-9	-9	-7	-8	-14	-14	-12	-9	-17	-15	-17	-14	-18	-16	-12	
Net income before minority interests	32	30	34	34	46	44	38	43	56	56	54	62	62	53	41	
o.w. minority interests	2	2	2	2	3	3	2	4	3	3	3	4	3	2	-5	
Net income	30	28	32	32	43	41	36	39	53	53	51	58	59	51	46	
Average allocated capital	283	316	329	340	376	386	372	377	396	410	435	466	480	513	533	
ROE after tax	42.4%	35.4%	38.9%	37.6%	45.7%	42.5%	38.7%	41.4%	53.5%	51.7%	46.9%	49.8%	49.2%	39.8%	34.5%	
<b>o.w. SG SS, Brokers &amp; Online Savings</b>																
Net banking income	206	220	219	247	272	306	316	362	388	573	410	428	401	403	367	
Operating expenses	-175	-182	-184	-220	-228	-250	-273	-308	-319	-325	-332	-360	-320	-326	-315	
Gross operating income	31	38	35	27	44	56	43	54	69	248	78	68	81	77	52	
Net allocation to provisions	0	-1	0	-2	-1	-1	0	-3	-1	-4	-2	-29	1	-1	-4	
Operating income	31	37	35	25	43	55	43	51	68	244	76	39	82	76	48	
Net income from other assets	0	0	0	0	0	0	0	0	0	0	0	0	0	1	-1	
Net income from companies accounted for by the equity method	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Income tax	-10	-12	-13	-8	-14	-17	-15	-16	-23	-80	-25	-13	-29	-24	-15	
Net income before minority interests	21	25	22	17	29	38	28	35	45	164	51	26	53	53	32	
o.w. minority interests	1	0	2	1	2	5	0	3	4	5	5	4	4	5	4	
Net income	20	25	20	16	27	33	28	32	41	159	46	22	49	48	28	
Average allocated capital	240	274	294	307	356	373	426	555	566	570	617	582	576	607	599	
ROE after tax	33.3%	36.5%	27.2%	20.8%	30.3%	35.4%	26.3%	23.1%	29.0%	111.6%	29.8%	15.1%	34.0%	31.6%	18.7%	

	2005 - IFRS (incl. IAS 32 & 39 and IFRS 4)				2006 - IFRS (incl. IAS 32 & 39 and IFRS 4)				2007 - IFRS (incl. IAS 32 & 39 and IFRS 4)				2008 - IFRS (incl. IAS 32 & 39 and IFRS 4)			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>Corporate and Investment Banking</b>																
Net banking income	1,550	1,233	1,496	1,418	1,957	1,832	1,521	1,688	1,947	2,077	1,159	-661	1,563	663	647	
Operating expenses	-843	-784	-853	-840	-1,066	-1,063	-831	-930	-1,081	-1,112	-743	-489	-1,001	-954	-777	
Gross operating income	707	449	643	578	891	769	690	758	866	965	416	-1,150	562	-291	-130	
Net allocation to provisions	47	22	32	44	19	35	23	16	29	31	-9	5	-312	-77	-270	
Operating income excluding net loss on unauthorised and concealed market activities	754	471	675	622	910	804	713	774	895	996	407	-1,145	250	-368	-400	
Net loss on unauthorised and concealed market activities	0	0	0	0	0	0	0	0	0	0	0	-4,911	0	0	0	
Operating income including net loss on unauthorised and concealed market activities	754	471	675	622	910	804	713	774	895	996	407	-6,056	250	-368	-400	
Net income from other assets	0	0	1	-12	23	1	4	2	1	-1	2	24	-3	7	6	
Net income from companies accounted for by the equity method	4	6	-5	17	6	6	8	4	6	2	6	5	5	1	3	
Impairment losses on goodwill	0	-13	0	0	0	0	0	0	0	0	0	0	0	0	0	
Income tax	-257	-115	-170	-126	-293	-219	-197	-193	-233	-274	-101	2,109	-113	177	148	
Net income before minority interests	501	349	501	501	646	592	528	587	669	723	314	-3,918	139	-183	-243	
o.w. minority interests	3	3	3	2	3	3	5	2	3	2	4	0	0	3	1	
Net income	498	346	498	499	643	589	523	585	666	721	310	-3,918	139	-186	-244	
Average allocated capital	3,686	3,975	4,362	4,570	4,747	4,868	4,969	5,067	5,303	5,731	5,888	5,811	5,913	6,145	6,300	
ROE after tax	54.0%	34.8%	45.7%	43.7%	54.2%	48.4%	42.1%	46.2%	50.2%	50.3%	21.1%	NM	9.4%	NM	NM	
<b>Corporate and Investment Banking (excl. Cowen)</b>																
Net income	1,494	1,195	1,441	1,359	1,879	1,776	1,517	1,688	1,947	2,077	1,159	-661	1,563	663	647	
Financing and Advisory	348	330	354	456	308	396	416	439	354	449	375	681	980	-88	518	
Fixed Income, Currencies and Commodities	485	289	477	507	543	623	492	594	525	584	105	-2,099	-151	48	-379	
Equities	661	576	610	396	1,028	757	609	655	1,068	1,044	679	757	734	703	508	
Operating expenses	-791	-746	-794	-783	-997	-1,004	-824	-930	-1,081	-1,112	-743	-489	-1,001	-954	-777	
Gross operating income	703	449	647	576	882	772	693	758	866	965	416	-1,150	562	-291	-130	
Net allocation to provisions	47	22	32	44	19	35	23	16	29	31	-9	5	-312	-77	-270	
Operating income excluding net loss on unauthorised and concealed market activities	750	471	679	620	901	807	716	774	895	996	407	-1,145	250	-368	-400	
Net loss on unauthorised and concealed market activities	0	0	0	0	0	0	0	0	0	0	0	-4,911	0	0	0	
Operating income including net loss on unauthorised and concealed market activities	750	471	679	620	901	807	716	774	895	996	407	-6,056	250	-368	-400	
Net income from other assets	0	0	1	-12	23	1	4	2	1	-1	2	24	-3	7	6	
Net income from companies accounted for by the equity method	4	6	-5	17	6	6	8	4	6	2	6	5	5	1	3	
Impairment losses on goodwill	0	-13	0	0	0	0	0	0	0	0	0	0	0	0	0	
Income tax	-256	-115	-171	-125	-290	-219	-199	-193	-233	-274	-101	2,109	-113	177	148	
Net income before minority interests	498	349	504	500	640	595	529	587	669	723	314	-3,918	139	-183	-243	
o.w. minority interests	3	3	3	2	3	3	5	2	3	2	4	0	0	3	1	
Net income	495	346	501	498	637	592	524	585	666	721	310	-3,918	139	-186	-244	
Average allocated capital	3,677	3,965	4,353	4,561	4,738	4,860	4,963	5,065	5,303	5,731	5,888	5,811	5,913	6,145	6,300	
ROE after tax	53.8%	34.9%	46.0%	43.7%	53.8%	48.7%	42.2%	46.2%	50.2%	50.3%	21.1%	NM	9.4%	NM	NM	
<b>Corporate Centre</b>																
Net banking income	53	38	102	31	144	111	12	-66	36	92	38	154	-111	261	-171	
Operating expenses	-57	7	-37	-64	-11	-68	2	-54	-14	-32	-16	-32	-12	-45	-30	
Gross operating income	-4	45	65	-33	133	43	14	-120	22	60	22	122	-123	216	-201	
Net allocation to provisions	14	7	-1	7	-3	-2	6	-2	0	5	-1	-17	2	-3	-13	
Operating income	10	52	64	-26	130	41	20	-122	22	65	21	105	-121	213	-214	
Net income from other assets	158	0	-1	-5	2	2	-3	2	0	4	-1	-16	611	14	12	
Net income from companies accounted for by the equity method	0	0	0	0	0	-3	0	-2	-1	-2	-1	-2	-1	-4	-2	
Impairment losses on goodwill	0	0	0	-10	0	0	0	-18	0	0	0	0	0	0	0	
Income tax	56	52	11	52	29	-2	62	45	16	45	33	-211	-113	-208	-104	
Net income before minority interests	224	104	74	11	161	38	79	-95	37	112	52	-124	376	15	-308	
o.w. minority interests	61	46	49	54	55	58	61	41	57	62	59	44	46	56	66	
Net income	163	58	25	-43	106	-20	18	-136	-20	50	-7	-168	330	-41	-374	

(a): Reported data not restated for the accounting consequences of the fictitious operations recorded in 2007 on unauthorized and concealed market activities. The restated data appear in Appendix 3.

GROUP	2005 - IFRS (incl. IAS 32 & 39 and IFRS 4)				2006 - IFRS (incl. IAS 32 & 39 and IFRS 4)				2007 - IFRS (incl. IAS 32 & 39 and IFRS 4)				2008 - IFRS (incl. IAS 32 & 39 and IFRS 4)			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net banking income	4,750	4,458	4,871	5,087	5,771	5,709	5,266	5,671	6,046	6,622	5,375	3,880	5,679	5,584	5,108	
Operating expenses	-2,985	-2,897	-3,016	-3,258	-3,412	-3,489	-3,213	-3,589	-3,698	-3,817	-3,374	-3,416	-3,905	-3,957	-3,697	
Gross operating income	1,765	1,561	1,855	1,829	2,359	2,220	2,053	2,082	2,348	2,805	2,001	464	1,774	1,627	1,411	
Net allocation to provisions	-73	-115	-120	-140	-162	-152	-134	-231	-192	-186	-226	-301	-598	-387	-687	
Operating income excluding net loss on unauthorised and concealed market activities	1,692	1,446	1,735	1,689	2,197	2,068	1,919	1,851	2,156	2,619	1,775	163	1,176	1,240	724	
Net loss on unauthorised and concealed market activities	0	0	0	0	0	0	0	0	0	0	0	-4,911	0	0	0	
Operating income including net loss on unauthorised and concealed market activities	1,692	1,446	1,735	1,689	2,197	2,068	1,919	1,851	2,156	2,619	1,775	-4,748	1,176	1,240	724	
Net income from other assets	166	-1	0	-17	34	4	3	2	24	6	-3	13	606	35	18	
Net income from companies accounted for by the equity method	5	8	-4	10	10	3	8	-3	11	9	12	12	5	7	2	
Impairment losses on goodwill	0	-13	0	-10	0	0	0	-18	0	0	0	0	0	0	0	
Income tax	-507	-367	-483	-433	-637	-615	-518	-523	-613	-719	-484	1,534	-519	-432	-333	
Net income before minority interests	1,356	1,073	1,248	1,239	1,604	1,460	1,412	1,309	1,578	1,915	1,300	-3,189	1,268	850	411	
o.w. minority interests	137	121	126	130	145	146	143	130	147	171	177	162	172	206	228	
Net income	1,219	952	1,122	1,109	1,459	1,314	1,269	1,179	1,431	1,744	1,123	-3,351	1,096	644	183	
Average allocated capital	15,771	16,412	17,083	17,759	18,437	19,454	20,482	22,054	23,268	23,727	24,324	23,413	25,436	29,033	29,611	
ROE after tax	30.8%	23.1%	26.1%	24.8%	31.5%	26.8%	24.6%	21.2%	24.4%	29.0%	18.0%	NM	16.5%	8.6%	1.7%	

(a): Reported data not restated for the accounting consequences of the fictitious operations recorded in 2007 on unauthorized and concealed market activities. The restated data appear in Appendix 3.



## APPENDIX 2: METHODOLOGY

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### **1- Reported 2007 historic quarterly results have been restated: corrections in respect of the fictitious operations recorded on unauthorized and concealed market activities uncovered in January 2008.**

The quarterly results at March 31st 2007, June 30th 2007, September 30th 2007 and December 31st 2007, presented for comparative purposes, have been adjusted to restate the accounting consequences of the fictitious operations recorded in 2007 and 2008 on unauthorized and concealed market activities discovered in January 2008. This information is presented in Appendix 3. However, in order to provide more relevant information on the Group's performance, the figures in this document correspond to reported historic data. The comments are also based on these reported data.

### **2- The Group's results at September 30th 2008 were approved by the Board of Directors on November 2nd 2008**

The financial information presented for the nine-month period ended September 30th 2008 has been prepared in accordance with IFRS as adopted in the European Union. On October 15th 2008, the European Union adopted the amendments to IAS 39 "Financial Instruments: recognition and measurement" and IFRS 7 "Financial Instruments: disclosures" published on October 13th 2008 by the IASB. These amendments allow entities, as from July 1st 2008 and under certain conditions or in exceptional circumstances, to reclassify non-derivative financial assets at fair value through profit and loss or available for sale in other categories. None of the reclassifications allowed by these amendments have been made in the Group's consolidated financial statements presented for the nine-month period ended September 30th 2008. This option will be used from October 1st 2008.

The Basel II data used in this press release have not been audited by the Statutory Auditors.

This financial information does not constitute interim financial statements as defined by IAS 34 "Interim Financial Reporting". Societe Generale's management plans to publish complete consolidated financial statements in respect of the 2008 financial year.

**3- Group ROE** is calculated on the basis of average Group shareholders' equity under IFRS excluding (i) unrealized or deferred capital gains or losses booked directly under shareholders' equity excluding conversion reserves, (ii) deeply subordinated notes, (iii) undated subordinated notes recognized as shareholders' equity, and deducting (iv) interest to be paid to holders of deeply subordinated notes and of the restated, undated subordinated notes. The net income used to calculate ROE excludes interest, net of tax impact, to be paid to holders of deeply subordinated notes for the period and, as of 2006, to the holders of restated, undated subordinated notes (i.e. EUR 55 million in Q3 2008 vs. EUR 26 million in Q3 2007).

**4- Earnings per share** is the ratio of (i) net income for the period after deduction (as of 2005) of the interest, net of tax, to be paid to holders of deeply subordinated notes (EUR 48 million in Q3 2008 and EUR 17 million in Q3 2007) and, as of 2006, the interest, net of tax, to be paid to holders of undated subordinated notes which were reclassified from debt to shareholders' equity (EUR 7 million in Q3 2008 vs. EUR 9 million in Q3 2007) and (ii) the average number of shares outstanding excluding treasury shares, but taking into account (a) trading shares held by the Group, and (b) shares held under the liquidity contract.

**5- Net assets** are comprised of Group shareholders' equity, excluding (i) deeply subordinated notes (EUR 4.4 billion), undated subordinated notes previously recognized as debt (EUR 0.9 billion) and (ii) interest to be paid to holders of deeply subordinated notes and undated subordinated notes, but reinstating the book value of trading shares held by the Group and shares held under the liquidity contract. The number of shares used to calculate book value per share is the number outstanding at September 30th 2008, excluding treasury shares but including (a) trading shares held by the Group and (b) shares held under the liquidity contract.

## APPENDIX 3: FICTITIOUS OPERATIONS RECORDED ON UNAUTHORIZED AND CONCEALED MARKET ACTIVITIES HAVE BEEN RESTATED

### 3.1 Comparative income statement for Q3 and the first 9 months

(in millions of euros)	Q3 07		Chge	9M-07		Chge
	Restated	Q3 08		Restated	9M 08	
<b>GROUP</b>						
Net banking income	5,375	5,108	-267	18,043	16,371	-1,672
Operating expenses	-3,374	-3,697	-323	-10,889	-11,559	-670
<i>Gross operating income</i>	<i>2,001</i>	<i>1,411</i>	<i>-590</i>	<i>7,154</i>	<i>4,812</i>	<i>-2,342</i>
Net allocation to provisions	-226	-687	-461	-604	-1,672	-1,068
<i>Operating income excluding net gains or losses on unauthorised and concealed market activities</i>	<i>1,775</i>	<i>724</i>	<i>-1,051</i>	<i>6,550</i>	<i>3,140</i>	<i>-3,410</i>
Net loss on unauthorised and concealed market activities	2,524	0	-2,524	363	0	-363
<i>Operating income including net gains or losses on unauthorised and concealed market activities</i>	<i>4,299</i>	<i>724</i>	<i>-3,575</i>	<i>6,913</i>	<i>3,140</i>	<i>-3,773</i>
Net income from other assets	-3	18	21	27	659	632
Net income from companies accounted for by the equity method	12	2	-10	32	14	-18
Impairment losses on goodwill	0	0	0	0	0	0
Income tax	-1,353	-333	1,020	-1,941	-1,284	657
<i>Net income before minority interests</i>	<i>2,955</i>	<i>411</i>	<i>-2,544</i>	<i>5,031</i>	<i>2,529</i>	<i>-2,502</i>
o.w. minority interests	177	228	51	495	606	111
<i>Net income</i>	<i>2,778</i>	<i>183</i>	<i>-2,595</i>	<i>4,536</i>	<i>1,923</i>	<i>-2,613</i>
Average allocated capital	23,734	29,611		23,319	28,027	
ROE after tax	46.4%	1.7%		25.6%	8.6%	

### 3.2 Reported 2007 historic quarterly results have been restated for the fictitious operations recorded on unauthorized and concealed market activities

2007								
<i>(in millions of euros)</i>								
	Q1		Q2		Q3		Q4	
	Reported	Restated	Reported	Restated	Reported	Restated	Reported	Restated
<b>Corporate and Investment Banking</b>								
Net banking income	1,947	1,947	2,077	2,077	1,159	1,159	-661	-661
Operating expenses	-1,081	-1,081	-1,112	-1,112	-743	-743	-489	-489
Gross operating income	866	866	965	965	416	416	-1,150	-1,150
Net allocation to provisions	29	29	31	31	-9	-9	5	5
Operating income excluding net gains or losses on unauthorised and concealed market activities	895	895	996	996	407	407	-1,145	-1,145
Net loss on unauthorised and concealed market activities	0	-97	0	-2,064	0	2,524	-4,911	-5,274
Operating income including net gains or losses on unauthorised and concealed market activities	895	798	996	-1,068	407	2,931	-6,056	-6,419
Net income from other assets	1	1	-1	-1	2	2	24	24
Net income from companies accounted for by the equity method	6	6	2	2	6	6	5	5
Impairment losses on goodwill	0	0	0	0	0	0	0	0
Income tax	-233	-200	-274	-428	-101	-959	2,109	2,232
Net income before minority interests	669	605	723	-639	314	1,980	-3,918	-4,158
o.w. minority interests	3	3	2	2	4	4	0	0
Net income	666	602	721	-641	310	1,976	-3,918	-4,158
<b>Corporate Centre</b>								
Net banking income	36	36	92	92	38	38	154	154
Operating expenses	-14	-14	-32	-32	-16	-16	-32	-32
Gross operating income	22	22	60	60	22	22	122	122
Net allocation to provisions	0	0	5	5	-1	-1	-17	-17
Operating income	22	22	65	65	21	21	105	105
market activities	0	0	4	4	-1	-1	-16	-16
Net income from companies accounted for by the equity method	-1	-1	-2	-2	-1	-1	-2	-2
Impairment losses on goodwill	0	0	0	0	0	0	0	0
Income tax	16	37	45	121	33	41	-211	-122
Net income before minority interests	37	57	112	62	52	59	-124	44
o.w. minority interests	57	-20	62	59	59	-18	44	-166
Net income	-20	-20	50	59	-7	-18	-168	-166
<b>GROUP</b>								
Net banking income	6,046	6,046	6,622	6,622	5,375	5,375	3,880	3,880
Operating expenses	-3,698	-3,698	-3,817	-3,817	-3,374	-3,374	-3,416	-3,416
Gross operating income	2,348	2,348	2,805	2,805	2,001	2,001	464	464
Net allocation to provisions	-192	-192	-186	-186	-226	-226	-301	-301
Operating income excluding net gains or losses on unauthorised and concealed market activities	2,156	2,156	2,619	2,619	1,775	1,775	163	163
Net loss on unauthorised and concealed market activities	0	-97	0	-2,064	0	2,524	-4,911	-5,274
Operating income including net gains or losses on unauthorised and concealed market activities	2,156	2,059	2,619	555	1,775	4,299	-4,748	-5,111
Net income from other assets	24	24	6	6	-3	-3	13	13
Net income from companies accounted for by the equity method	11	11	9	9	12	12	12	12
Impairment losses on goodwill	0	0	0	0	0	0	0	0
Income tax	-613	-580	-719	-8	-484	-1,353	1,534	1,659
Net income before minority interests	1,578	1,514	1,915	562	1,300	2,955	-3,189	-3,427
o.w. minority interests	147	147	171	171	177	177	162	162
Net income	1,431	1,367	1,744	391	1,123	2,778	-3,351	-3,589
Average allocated capital	23,268	23,236	23,727	22,986	24,324	23,734	23,413	23,532
ROE after tax	24.4%	23.3%	29.0%	6.4%	18.0%	46.4%	NM	NM

## APPENDIX 4: IMPACT OF NON-RECURRING ITEMS ON PRE-TAX PROFITS

EUR m		Q1 07	Q2 07	Q3 07	Q1 08	Q2 08	Q3 08	9M 07	9M 08
Non-recurring items in NBI	<b>French Networks</b>	-	36	-	-	-	-	36	-
	Euronext capital gain	-	36	-	-	-	-	36	-
	<b>International Retail Banking</b>	-	-	-	-	-	75	-	75
	Asiban capital gain	-	-	-	-	-	75	-	75
	<b>Global Investment Management and Services</b>	-	165	- 53	- 274	-	- 12	112	- 286
	<b>Asset Management</b>	-	-	- 53	- 274	-	- 12	- 53	- 286
	Liquidity support provided to certain funds	-	-	- 53	- 274	-	-	- 53	- 274
	Impact of Lehman	-	-	-	-	-	- 12	-	- 12
	<b>Private Banking</b>	-	1	-	-	-	-	1	-
	Euronext capital gain	-	1	-	-	-	-	1	-
	<b>SG SS, Brokers and Online Savings</b>	-	164	-	-	-	-	164	-
	Euronext capital gain at SG SS	-	159	-	-	-	-	159	-
	Euronext capital gain at Fimat	-	5	-	-	-	-	5	-
	<b>Corporate and Investment Banking</b>	- 6	60	- 269	31	-1,223	-1,079	- 215	-2,271
	<b>Equities</b>	1	20	- 2	200	- 68	- 152	19	- 20
	Euronext capital gain at SG CIB	-	34	-	-	-	-	34	-
	Revaluation of financial liabilities + Own shares	1	- 14	- 2	200	- 68	7	- 15	139
	Impact of Lehman	-	-	-	-	-	- 159	-	- 159
	<b>Fixed Income, Currencies and Commodities</b>	1	26	- 205	- 868	- 661	- 1,123	- 178	- 2,652
	Revaluation of financial liabilities	-	-	-	323	- 79	61	-	305
	Losses and write-downs on exotic credit derivatives	14	10	-	- 417	- 372	- 370	24	- 1,159
	Write-down of unhedged CDOs	- 5	- 37	- 124	- 350	- 20	315	- 166	- 55
	Write-down of monolines	-	-	-	- 203	- 98	- 453	-	- 754
	Write-down of RMBS	- 8	- 29	- 64	- 43	- 15	-	- 101	- 58
	Write-down of European ABS sold by SGAM	-	-	- 17	- 166	- 84	- 382	- 17	- 632
	Write-down/Reversal of SIV PACE	-	-	-	- 12	7	- 57	-	- 62
	ICE capital gain	-	82	-	-	-	-	82	-
	Impact of Lehman	-	-	-	-	-	- 223	-	- 223
	Islandic banks	-	-	-	-	-	- 14	-	- 14
	<b>Financement et Conseil</b>	- 8	14	- 62	699	- 494	196	- 56	401
	Mark to Market value of CDS'	- 8	14	36	743	- 501	262	42	504
	Write-down/Reversal of Non IG transactions in underwriting	-	-	- 98	- 44	7	- 13	- 98	- 50
	Impact of Lehman	-	-	-	-	-	- 53	-	- 53
	<b>Corporate Centre</b>	-	-	-	-	306	- 142	-	164
	Revaluation of financial liabilities at Crédit du Nord	-	-	-	-	44	-	-	44
	Capital gain on Muscat	-	-	-	-	262	-	-	262
	Write-down of equity portfolio	-	-	-	-	-	- 142	-	- 142
	<b>Total impact on GROUP NBI</b>	- 6	261	- 322	- 243	- 917	-1,158	-67	-2,318
Net alloc. to provisions	<b>Private Banking</b>	-	-	-	-	-	- 10	-	- 10
	Allocation to Washington Mutual	-	-	-	-	-	- 10	-	- 10
Net gain on other assets	<b>Corporate and Investment Banking</b>	-	-	-	- 282	-	- 40	-	- 322
	Allocations to a few accounts	-	-	-	- 282	-	- 40	-	- 322
Net gain on other assets	<b>Corporate Centre</b>	-	-	-	602	-	-	-	602
	Capital gain on Fimat	-	-	-	602	-	-	-	602
<b>Total impact on GROUP</b>		- 6	261	- 322	77	- 917	-1,208	-67	-2,048

## **5.2 PRUDENTIAL RATIO MANAGEMENT**

As part of prudential ratio management, the Group proceeded with a EUR 1 billion 10-year fixed rate subordinated notes issue (lower tier II) on August 20th 2008.

## 5.3 IMPLEMENTATION OF THE BASEL II REFORM (UNAUDITED DATA)

### 5.3.1 BASEL II AT SEPTEMBER 30TH 2008

- Extract from the presentation dated November 3rd 2008: Third quarter results (and supplements)

### 9 month Basel I / Basel II comparison

In EUR m

	French Networks		International Retail Banking		Financial Services		Global Investment Management & Services		Corporate & Investment Banking		Corporate Centre		Group	
	Basel II 9M08	Basel I 9M08	Basel II 9M08	Basel I 9M08	Basel II 9M08	Basel I 9M08	Basel II 9M08	Basel I 9M08	Basel II 9M08	Basel I 9M08	Basel II 9M08	Basel I 9M08	Basel II 9M08	Basel I 9M08
Net banking income	5,212	5,274	3,635	3,629	2,393	2,403	2,214	2,213	2,916	2,873	1	(21)	16,371	16,371
Operating expenses	(3,435)	(3,435)	(2,011)	(2,011)	(1,337)	(1,337)	(1,957)	(1,957)	(2,732)	(2,732)	(87)	(87)	(11,559)	(11,559)
Gross operating income	1,777	1,839	1,624	1,618	1,056	1,066	257	256	184	141	(86)	(108)	4,812	4,812
Net allocation to provisions	(296)	(296)	(293)	(293)	(396)	(396)	(14)	(14)	(659)	(659)	(14)	(14)	(1,672)	(1,672)
Operating income excluding net los	1,481	1,543	1,331	1,325	660	670	243	242	(475)	(518)	(100)	(122)	3,140	3,140
Net income from companies accounted for by the equity method	2	2	7	7	3	3	0	0	9	9	(7)	(7)	14	14
Net income from other assets	2	2	11	11	(1)	(1)	0	0	10	10	637	637	659	659
Impairment losses on goodwill	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Income tax	(504)	(525)	(282)	(281)	(202)	(205)	(61)	(60)	197	212	(432)	(425)	(1,284)	(1,284)
Net income before minority interests	981	1,022	1,067	1,062	460	467	182	182	(259)	(287)	98	83	2,529	2,529
Minority interests	37	37	377	377	13	13	7	7	4	4	168	168	606	606
Net income	944	985	690	685	447	454	175	175	(263)	(291)	(70)	(85)	1,923	1,923
Average allocated capital	5,107	6,978	2,689	2,516	3,856	4,168	1,453	1,442	7,430	6,119	7,492*	6,804*	28,027	28,027
ROE after tax	24.6%	18.8%	34.2%	36.3%	15.5%	14.5%	16.1%	16.2%	NM	NM	NM	NM	8.6%	8.6%

\* Calculated as the difference between total Group capital and capital allocated to the core businesses

### Quarterly Basel I / Basel II comparison

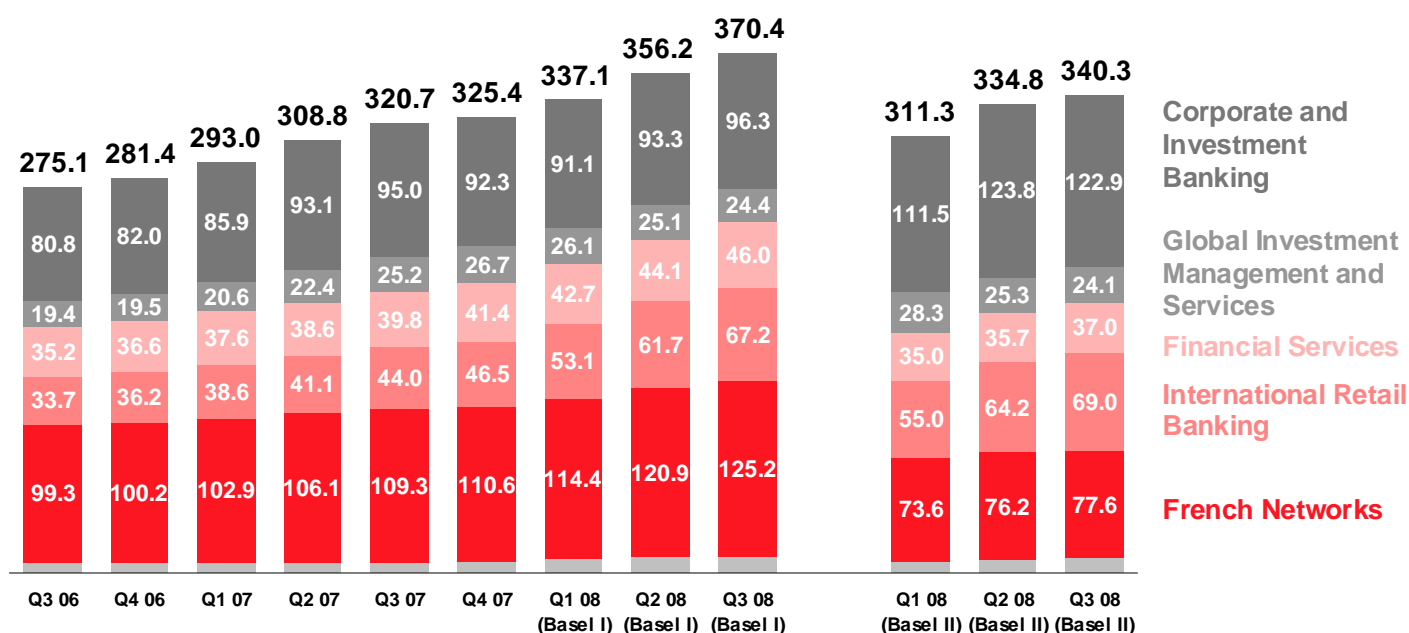
In EUR m

	French Networks		International Retail Banking		Financial Services		Global Investment Management & Services		Corporate & Investment Banking		Corporate Centre		Group	
	Basel II Q3 08	Basel I Q3 08	Basel II Q3 08	Basel I Q3 08	Basel II Q3 08	Basel I Q3 08	Basel II Q3 08	Basel I Q3 08	Basel II Q3 08	Basel I Q3 08	Basel II Q3 08	Basel I Q3 08	Basel II Q3 08	Basel I Q3 08
Net banking income	1,758	1,781	1,304	1,301	801	804	745	746	661	647	(161)	(171)	5,108	5,108
Operating expenses	(1,128)	(1,128)	(668)	(668)	(454)	(454)	(640)	(640)	(777)	(777)	(30)	(30)	(3,697)	(3,697)
Gross operating income	630	653	636	633	347	350	105	106	(116)	(130)	(191)	(201)	1,411	1,411
Net allocation to provisions	(116)	(116)	(127)	(127)	(149)	(149)	(12)	(12)	(270)	(270)	(13)	(13)	(687)	(687)
Operating income	514	537	509	506	198	201	93	94	(386)	(400)	(204)	(214)	724	724
Net income from companies accounted for by the equity method	1	1	2	2	(2)	(2)	0	0	3	3	(2)	(2)	2	2
Net income from other assets	0	0	1	1	0	0	(1)	(1)	6	6	12	12	18	18
Impairment losses on goodwill	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Income tax	(173)	(182)	(108)	(108)	(61)	(62)	(25)	(25)	143	148	(109)	(104)	(333)	(333)
Net income before minority interests	342	356	404	401	135	137	67	68	(234)	(243)	(303)	(308)	411	411
Minority interests	11	11	146	146	4	4	0	0	1	1	66	66	228	228
Net income	331	345	258	255	131	133	67	68	(235)	(244)	(369)	(374)	183	183
Average allocated capital	5,201	7,289	3,024	2,770	4,006	4,346	1,242	1,400	7,642	6,300	8,496*	7,506*	29,611	29,611
ROE after tax	25.5%	18.9%	34.1%	36.8%	13.1%	12.2%	21.6%	19.4%	NM	NM	NM	NM	1.7%	1.7%

\* Calculated as the difference between total Group capital and capital allocated to the core businesses

## Change in risk-weighted assets (Basel I & II)

Average credit risk equivalent in EUR bn

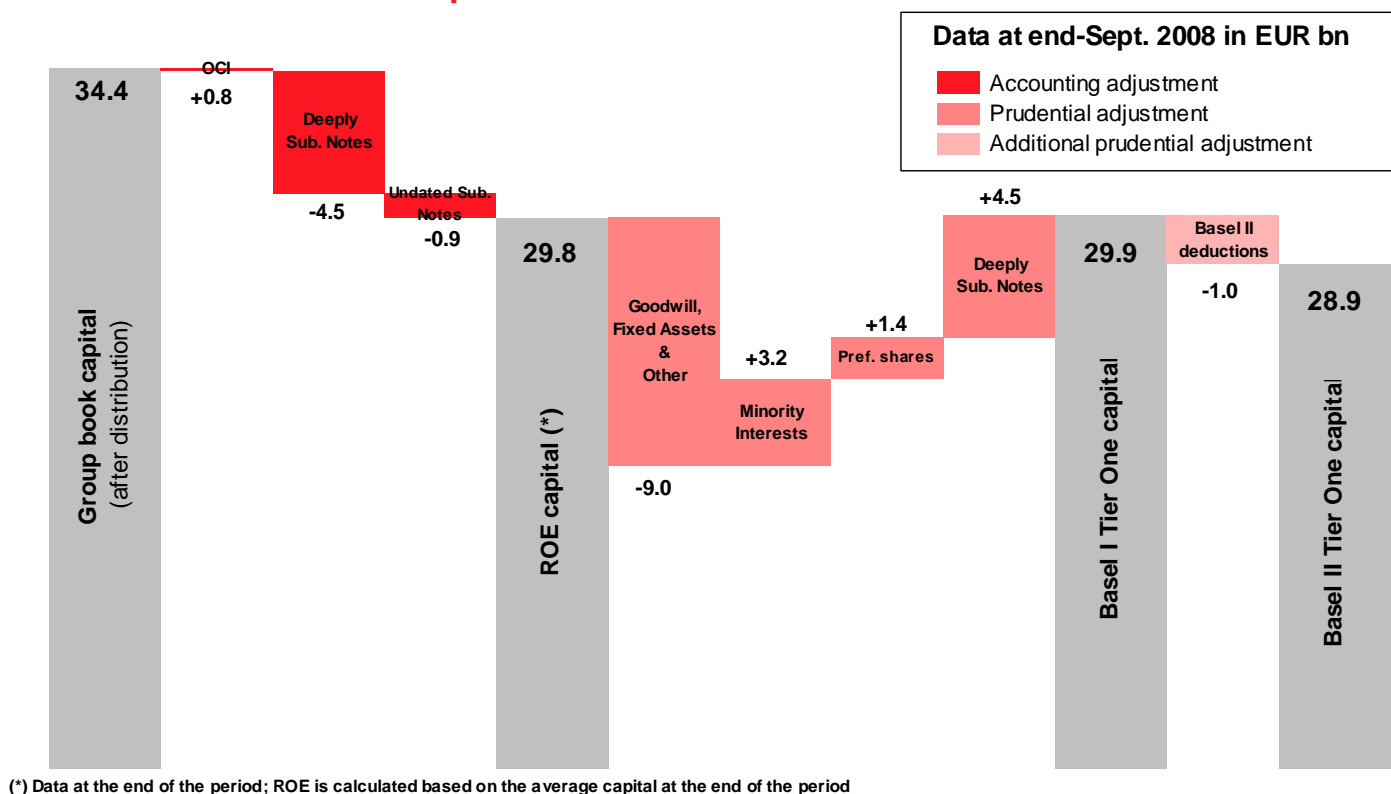


## Consequences of the implementation of Basel II by core business

Risk-weighted assets at September 30th 2008 (in EUR bn)

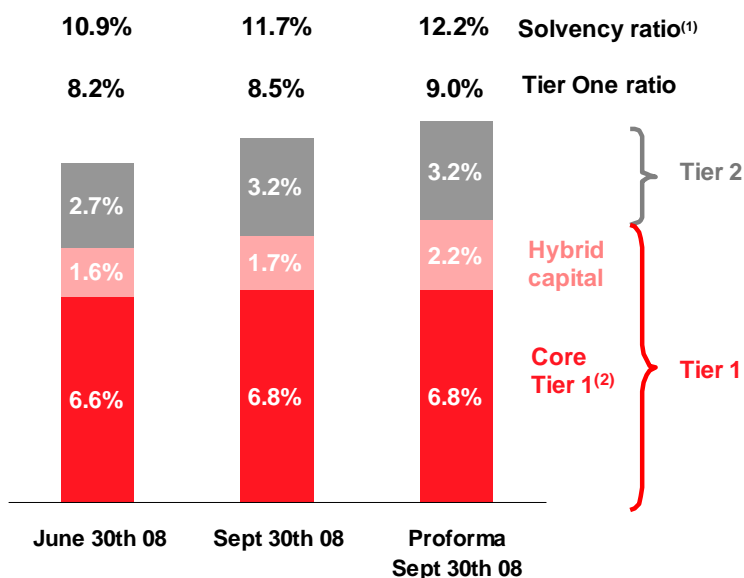
	Basel I	Basel II				Change Basel II / Basel I
		Credit	Market	Operational	Total	
French Networks	126.4	75.2	0.1	2.1	77.4	-38.8%
International Retail Banking	69.7	67.2	0.5	2.5	70.2	+0.7%
Financial Services	47.0	35.9	0.0	1.9	37.8	-19.7%
Global Investment Management and Services	24.6	19.7	1.4	3.0	24.1	-2.0%
Corporate and Investment Banking	97.1	79.0	13.0	29.2	121.2	+24.8%
Corporate Centre	11.1	5.5	0.3	3.7	9.5	-14.6%
<b>Group total</b>	<b>376.0</b>	<b>282.4</b>	<b>15.3</b>	<b>42.4</b>	<b>340.2</b>	<b>-9.5%</b>

## Calculation of ROE Capital and the Tier One ratio



## Financial structure

### Change in Basel II Tier One Ratio



\* Subject to the approval of the European Commission  
 (1) Solvency ratio: Tier One + Tier Two + other deductions  
 (2) Core Tier One: Tier One capital - hybrid capital



## 5.4 INFORMATION ON COMMON STOCK

### ■ Extract from press release dated November 3rd 2008: third quarter results

On the authorisation of the CECEI (*French Credit Institutions and Investment Firms Committee*) dated September 24th 2008, the Board of Directors' meeting on November 2nd 2008 proceeded with the cancellation of 10.0 million shares (1.7% of the capital) representing an acquisition value of EUR 1,218 million. The cancellation has no impact on the Group's book and regulatory equity but reduces Societe Generale's share capital from EUR 738,409,055 divided into 590,727,244 shares to EUR 725,909,055 divided into 580,727,244 shares.

## **VI. CHAPTER 12: PERSON RESPONSIBLE FOR UPDATING THE REGISTRATION DOCUMENT**

### **6.1 PERSON RESPONSIBLE FOR UPDATING THE REGISTRATION DOCUMENT**

Mr Frédéric OUDEA, Chief Executive Officer of Societe Generale

### **6.2 STATEMENT OF THE PERSON RESPONSIBLE FOR UPDATING THE REGISTRATION DOCUMENT**

I hereby certify, having taken all reasonable measures to this effect, that the information contained in the present update of the 2008 Registration document is, to the best of my knowledge, in accordance with the facts and that it makes no omission likely to affect its import.

I have received a completion letter from the Statutory Auditors a letter stating that they have audited the information contained in the present update about the Group's financial position and accounts and that they have read the updated documents A-01, A-02 and A-03 in their entirety.

The historical financial information presented in the 2008 Registration document has been discussed in the Statutory Auditors' reports found on pages 266 to 267 and 330 to 331 of the 2008 Registration document, and those enclosed by reference for financial years 2005 and 2006, found on pages 215 to 216 of the 2006 Registration document and on pages 246 to 247 and 301 to 302 of the 2007 Registration document. The Statutory Auditors' reports on the 2007 parent company and consolidated financial statements, on 2006 parent company financial statements and on 2005 consolidated financial statements contain remarks.

Paris, November 6th 2008

Mr Frédéric OUDEA  
Chief Executive Officer of Societe Generale

## **6.3 PERSONS RESPONSIBLE FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

### **STATUTORY AUDITORS**

*Name:* Cabinet Ernst & Young Audit

represented by Philippe Peuch-Lestrade

*Address:* Faubourg de l'Arche – 11, allée de l'Arche - 92037 Paris - La Défense

*Date of first appointment:* April 18th 2000

*Term of mandate:* 6 fiscal years

*End of current mandate:* at the close of the Ordinary General Meeting which will approve the financial statements for the year ended December 31st 2011.

*Name:* Société Deloitte et Associés

represented by José-Luis Garcia

*Address:* 185, avenue Charles-de-Gaulle - B.P. 136 - 92524 Neuilly-sur-Seine Cedex

*Date of first appointment:* April 18th 2003

*Term of mandate:* 6 fiscal years

*End of current mandate:* at the close of the Ordinary General Meeting which will approve the financial statements for the year ended December 31st 2011.

### **SUBSTITUTE STATUTORY AUDITORS**

*Name:* Robert Gabriel Galet

*Address:* Faubourg de l'Arche – 11, allée de l'Arche - 92037 Paris - La Défense

*Date of first appointment:* May 30th, 2006

*Term of mandate:* 6 fiscal years

*Name:* Alain Pons

*Address:* 185, avenue Charles-de-Gaulle - B.P. 136 - 92524 Neuilly-sur-Seine Cedex

*Date of first appointment:* April 18th 2003

*Term of mandate:* 6 fiscal years

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*This is a free translation into English of a report issued in French language and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with and is construed in accordance with French law and professional auditing standards applicable in France.*

**Société Générale Acceptance N.V. (SGA)**

Six-month period ended June 30, 2008

**Report of the Independent Auditors  
on the Interim Accounts**

ERNST & YOUNG et Autres

## **Société Générale Acceptance N.V. (SGA)**

Six-month period ended June 30, 2008

### **Report of the Independent Auditors on the Interim Accounts**

*(Free translation of the French language original)*

To the Shareholders of Société Générale Acceptance N.V. (SGA),

We have audited the accompanying interim accounts of Société Générale Acceptance N.V. (SGA), stated in USD, which comprise the balance sheet as at June 30, 2008, and the income statement and cash-flow statement for the six-month period ended June 30, 2008, and a summary of significant accounting policies and other explanatory notes.

### **Management's Responsibility for the Interim Accounts**

Management is responsible for the preparation and fair presentation of these interim accounts in accordance with International Financial Reporting Standards as adopted by European Union. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of interim accounts that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these interim accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the interim accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the interim accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the interim accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the interim accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the interim accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the interim accounts present fairly, in all material respects, the financial position of Société Générale Acceptance N.V. (SGA) as of June 30, 2008, and of its financial performance and its cash-flows for the six-month period ended June 30, 2008 in accordance with International Financial Reporting Standards as adopted by European Union.

Neuilly-sur-Seine, September 25, 2008

The Independent Auditors  
ERNST & YOUNG et Autres

*French original signed by*  
Isabelle Santenac



***Société Générale ACCEPTANCE N.V***

***FINANCIAL STATEMENTS IFRS & APPENDIX 30.06.2008***

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**A- BALANCE SHEET IFRS AS OF JUNE 30, 2008**

**SGA Societe Generale Acceptance NV**  
**BALANCE SHEET**

(in K USD)

ASSETS		IFRS	
		June 30, 2008	December 31, 2007
Financial assets measured at fair value through profit and loss	Note 1	147,157,836	175,635,400
Due from banks	Note 2	6,775,471	5,469,725
Other assets	Note 3	1,538,596	5,161,194
<b>Total</b>		<b>155,471,903</b>	<b>186,266,319</b>

LIABILITIES		IFRS	
		June 30, 2008	December 31, 2007
Financial liabilities measured at fair value through profit and loss	Note 1	147,157,919	175,638,432
Due to banks	Note 2	912,707	851,956
Securitized debt payables	Note 2	5,861,626	4,614,187
Other liabilities	Note 3	1,538,216	5,160,309
<b>Total</b>		<b>155,470,468</b>	<b>186,264,884</b>
<b>SHAREHOLDERS' EQUITY</b>	<b>Note 9</b>	<b>1,435</b>	<b>1,435</b>
Common stock		560	560
Retained profit		875	875
<b>Total equity</b>		<b>1,435</b>	<b>1,435</b>
<b>TOTAL LIABILITIES</b>		<b>155,471,903</b>	<b>186,266,319</b>

**B- INCOME STATEMENT IFRS AS OF JUNE 30, 2008**

**SGA Societe Generale Acceptance NV**  
**INCOME STATEMENT**

(in K USD)

		IFRS		
		June 30, 2008	December 31, 2007	June 30, 2007
Margin of interest	Note 6	(26)	(37)	120
Dividend income		-	-	-
Dividends paid on preferred shares		-	-	-
Commissions (income)		-	-	-
Commissions (expenses)		-	-	-
Net gains or losses on financial transactions		5	4	9
<i>o/w net gains or losses on financial instruments at fair value through profit and loss</i>	Note 7	5	4	9
<i>o/w net gains or losses on available-for-sale financial assets</i>		-	-	-
Income from other activities		-	-	-
Expenses from other activities		-	-	-
<b>Net banking income</b>		<b>(21)</b>	<b>(33)</b>	<b>129</b>
Other operating expenses	Note 8	21	33	(129)
Amortization, depreciation and impairment of tangible and intangible fixed assets		-	-	-
<b>Gross operating income</b>		<b>0</b>	<b>0</b>	<b>0</b>
Cost of risk		-	-	-
<b>Operating income</b>		<b>0</b>	<b>0</b>	<b>0</b>
Net income from companies accounted for by the equity method		-	-	-
Net income/expense from other assets		-	-	-
Impairment losses on goodwill		-	-	-
<b>Earnings before tax</b>		<b>0</b>	<b>0</b>	<b>0</b>
Income tax		-	-	-
<b>Consolidated net income</b>		<b>0</b>	<b>0</b>	<b>0</b>

**C- APPENDIX TO THE FINANCIAL STATEMENTS**

## Notes to the financial statements

### **1- General**

Société Générale Acceptance N.V. is a limited liability company established on October 7<sup>th</sup>, 1986 and subject to applicable law in Netherlands Antilles.

SGA Société Générale Acceptance N.V. is a subsidiary owned as to 100 per cent by the parent company, Société Générale, and is a fully consolidated company. The accounts are consolidated within the team.

The financial statements are presented in US Dollar.

Social capital is 560 000 US Dollar 560 divided into shares of 1 US Dollar fully paid.

The company is mainly based on the issuance of warrants as well as the attainment of structured issues in the form of negotiable debt securities or corporate bonds. The funds are reinvested in the form of securities, options and other financial futures.

When the company operates within the context of a structured issue, Société Générale SA bears the risk associated with this issue by endorsing the entire issue.

### **2- Rules and accounting methods**

#### **Accounting policies**

Pursuant to European regulation 1606/2002 of July 19<sup>th</sup> 2002 on the application of International Accounting Standards, Société Générale Acceptance NV has established its accounts for the period from January 1<sup>st</sup> 2008 to June 30<sup>th</sup> 2008 in accordance with IFRS (International Financial Reporting Standards) as adopted by the European Union and in applicable on that date.

The IFRS are available on the European Commission website,  
[http://ec.europa.eu/internal\\_market/accounting/ias\\_fr.htm#adopted-commission](http://ec.europa.eu/internal_market/accounting/ias_fr.htm#adopted-commission)

The reference includes IFRS 1 to 7 with IAS (International Accounting Standards) 1 to 41, and their interpretations as adopted in the European Union on December 31, 2007.

- Standards, amendments to standards or interpretations of mandatory since January 1<sup>st</sup> 2008.
  - Amendment to IAS No.1, "Presentation of Financial Statements – to provide information about the capital"
  - IFRS No.7: "Financial Instruments : Disclosures"

Both standards require us to provide information related to significance of financial instruments in view of the situation and the financial performance of the company, as well as quantitative and qualitative information on the nature and extent of risks arising from financial instruments to which the company is exposed. The adoption of this standard had no impact on the performance or financial situation of the company.



Other texts that were enforced as of January 1st 2008 are not applicable to the IFRS financial statements.

### **Loans and receivables**

Loans and receivables that are not held for trading or that are not for sale upon acquisition or granting them are recorded on the balance sheet of loans and debts on credit or loans and receivables on the Customer depending on the nature of the consideration. They are evaluated upon initial recognition at amortized cost based on the effective interest rate and may be subject, where appropriate, to a depreciation.

### **Financial assets and liabilities at fair value through profit and loss**

These assets to loans and liabilities debts corresponding to Euro Medium Term Notes and to bonds issued by the company. These financial assets and liabilities are held for trading, they are measured at their fair value cut-off date and the balance sheet under the heading assets or financial liabilities at fair value through profit or loss. Revenues and expenses, including changes in fair value are recorded in the results for the period under the heading Net income on financial instruments at fair value through profit or loss.

The fair value is the amount for which an asset could be exchanged, or a liability off between parties well-informed, consenting and operating in competitive conditions. For financial instruments measured at fair value through profit or loss, the fair market value is determined primarily based on prices quoted in an active market; these prices may be adjusted if they are not available at the closing date. If no active market, fair value is determined using valuation techniques (internal models recovery) using parameters valuation based on market conditions existing at the close and on which influence assumptions used such as the amount and timing of estimated future cash flows, the discount rate and the volatility of the underlying assets.

### **Derivative financial instruments**

Derivatives include warrants and options purchased in order to hedge the warrants that are issued. They are valued according to the assessment techniques described above.

Their accounting is done at their original value on the date of the transaction. At the closing date, these instruments are reassessed at market value. Revenues and expenses, including changes in fair value are recorded in the income for the period under the heading Net income on financial instruments at fair value through profit or loss.

### **Other Assets and Liabilities**

Parts of the nominal not freed EMTN and private placements (PLP) are recorded under the headings "other miscellaneous receivables and other credit balances."

### **Interest income/ expense assimilated:**

Some financial instruments are not revalued at fair value (ORI). "They are ready and futures accounts and related receivables" on the assets within the Loans and credit institutions. On the liabilities side, they appear in "the interbank market securities and negociable debt securities and "related liabilities" in Debt securities.

The rediscount and the interests are calculated on the basis of historical cost and date back in the interest margin.

### **Agreements between Société Générale and SGA**

Société Générale Acceptance NV is a 100% subsidiary of Société Générale.

Relations between SG Acceptance and Société Générale are governed according to the two following:

On the one hand:

Management agreement: under which Société Générale is paid by Société Générale Acceptance for the resources made available to Société Générale Acceptance (benefits administrative, accounting, legal and tax);

And on the other hand

Financial Services Agreement: under which Société Générale Acceptance is paid by Société Générale for the financial services industry that it makes. Within this framework, Société Générale reimburses Société Générale Acceptance of the total fixed costs of operation (the auditors, insurances, personnel, and so on...). In addition management fees incurred by Société Générale Acceptance under the issuing activity related shall be fully covered by the convention.

### **Conversion of foreign currencies transactions**

Transactions in foreign currencies are converted into foreign currency on the basis of the exchange rate prevailing at the date of the transaction. They are translated into US dollar on the foreign exchange rates at the end of the year.

Gains and losses related to these transactions are recorded in the income statement.

### **Income tax**

In the implementation of article 209B, Société Générale Acceptance localized to the Netherlands Antilles is taxable in France on behalf of the Competitive tax and the result of the company shall be determined in accordance with the rules French tax. At June 30th, 2008, the application of these principles to tax all transactions conducted by the company did not reveal any taxable income for the period.

## **3- Risk management**

The activity of Société Générale Acceptance is governed by the strict rules of operation that excludes the generation of profits or losses, as well as the existence of risks in its balance sheet.

Indeed, Société Générale Acceptance issued warrants and is covered by the purchase of options on the OTC with the same characteristics of Société Générale SA.

Likewise, it makes bonds (Euro Medium Term Notes and Bond) and are thus systematically covered by taking out a private placement issued by Société Générale SA whose characteristics are strictly identical.

Therefore, no market risk (stocks, exchange rates, commodities) are borne by the Company.

### **Credit risk**

Credit risk is the risk that a third party will not be able to meet its contractual obligations. The company manages this risk by failing contractor financial instruments with the parent company.

### **Liquidity risk**

The company does not face any liquidity risk because of the perfect replication between the contractual obligations of the debt issued and the warrants issued by the company and those of hedging assets and options held by Société Générale Acceptance.

### **Sensitivity to market variables (shares, indexes, interest rates, foreign exchange and commodities):**

Because of its structure, the impact of an immediate change of a market variable as of June 30<sup>th</sup>, 2008 would have no consequence on the net profit of the company.

## **4- Parent company**

The parent company of Société Générale Acceptance is Société Générale SA whose consolidated accounts are established in France.

**D- NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 1**  
**FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS**

(in K USD)	June 30, 2008		December 31, 2007	
	Assets	Liabilities	Assets	Liabilities
<b>Trading portfolio</b>				
Treasury notes and similar securities				
Bonds and other debt securities				
Shares and other equity securities				
Term loan at fair value through P&L	91,547,368		93,512,424	
<b>Sub-total trading assets</b>	<b>91,547,368</b>		<b>93,512,424</b>	
o/w securities on loan				
Euro Medium Term Notes		96,673,284		98,986,826
Amounts payable on borrowed securities				
Bonds and other debt instruments sold short				
Shares and other equity instruments sold short				
Other financial liabilities				
<b>Sub-total trading liabilities</b>		<b>96,673,284</b>		<b>98,986,826</b>
<b>Foreign exchange instruments</b>				
Firm Instruments				
Options	873,825	873,825	490,224	490,224
<b>Equity and Index Instruments</b>				
Firm Instruments				
Options	36,321,966	36,322,047	65,516,645	65,516,705
<b>Commodity Instruments</b>				
Firm Instruments-Futures				
Options	5,582,812	5,582,813	1,908,411	1,908,411
<b>Sub-total trading derivatives</b>	<b>42,778,603</b>	<b>42,778,685</b>	<b>67,915,280</b>	<b>67,915,340</b>
<b>Sub-total trading portfolio</b>	<b>134,325,971</b>	<b>139,451,969</b>	<b>161,427,704</b>	<b>166,902,166</b>
<b>Financial assets measured using fair value option through P&amp;L</b>				
Treasury notes and similar securities				
Bonds and other debt securities				
Shares and other equity securities				
Term loans measured using fair value option through P&L	12,831,865		14,207,696	
<b>Sub-total of financial assets measured using fair value option through P&amp;L</b>	<b>12,831,865</b>		<b>14,207,696</b>	
<b>Sub-total of separate assets relating to employee benefits</b>				
<b>Financial liabilities measured using fair value option through P&amp;L</b>				
Euro Medium Term Notes		7,705,950		8,736,266
<b>Sub-total of financial liabilities measured using fair value option through P&amp;L</b>		<b>7,705,950</b>		<b>8,736,266</b>
<b>Total financial Instruments measured at fair value through P&amp;L</b>	<b>147,157,836</b>	<b>147,157,919</b>	<b>175,635,400</b>	<b>175,638,432</b>

**NOTE 2  
DUE FROM BANKS**

<i>(in K USD)</i>	June 30, 2008	December 31, 2007
<b>Deposits and loans</b>		
<i>Demand and overnights</i>		
Current accounts	1,303	727
<i>Term</i>		
Term deposits and loans	6,585,854	5,372,577
Related receivables	188,314	96,421
<b>Total</b>	<b>6,775,471</b>	<b>5,469,725</b>

**DUE TO BANKS**

<i>(in K USD)</i>	June 30, 2008	December 31, 2007
<b>Demand and overnight deposits</b>		
Demand deposits and current accounts	185	115
Overnight deposits and borrowings and others	-	-
<b>Sub-total</b>	<b>185</b>	<b>115</b>
<b>Term deposits</b>		
Term deposits and borrowings	906,430	846,458
Borrowings secured by notes and securities	-	-
<b>Sub-total</b>	<b>906,430</b>	<b>846,458</b>
Related liabilities	6,112	5,383
Revaluation of hedged items	-	-
Securities sold under repurchase agreements	-	-
<b>Total</b>	<b>912,707</b>	<b>851,956</b>

**SECURITIZED DEBT PAYABLES**

<i>(in K USD)</i>	June 30, 2008	December 31, 2007
Term savings certificates	-	-
Bond borrowings	315,280	294,420
Interbank certificates and negotiable debt instruments	5,364,144	4,231,700
Related payables	182,202	88,067
<b>Total</b>	<b>5,861,626</b>	<b>4,614,187</b>

**NOTE 3  
OTHER ASSETS**

<i>(in K USD)</i>	June 30, 2008	December 31, 2007
Guarantee deposits paid	-	-
Settlement accounts on securities transactions	-	-
Prepaid expenses	-	12
Other sundry debtors	1,538,596	5,161,182
Adjustment accounts	-	-
<b>Net amount</b>	<b>1,538,596</b>	<b>5,161,194</b>

**OTHER LIABILITIES**

<i>(in K USD)</i>	June 30, 2008	December 31, 2007
Guarantee deposits received	-	-
Payables on forex transactions	-	-
Settlement accounts on securities transactions	-	-
Other securities transactions	-	-
Expenses payable	776	555
Deferred income	-	-
Other sundry creditor	1,537,440	5,159,754
Other liabilities accrued accounts	-	-
<b>Total</b>	<b>1,538,216</b>	<b>5,160,309</b>

# NOTE 4 COMMITMENTS

## A. Commitments granted and received

### Commitments granted

(in K USD)

	June 30, 2008	December 31, 2007
<b>Loan commitments</b>		
to banks	652,124	205,891
to customers		
Issuance facilities		
Confirmed credit lines		
Others		
<b>Guarantee commitments</b>		
on behalf of banks		
on behalf of customers		
<b>Securities commitments</b>		
Securities to deliver	419,133	497,078

### Commitments received

(in millions of euros)

	June 30, 2008	December 31, 2007
<b>Loan commitments</b>		
from banks		
<b>Guarantee commitments</b>		
from banks		
other commitments		
<b>Securities commitments</b>		
Securities to be received	1,071,256	702,968

## B. Forward financial instrument commitments (notional amounts)

### Commitments granted

(in K USD)

	June 30, 2008		December 31, 2007	
	Trading transactions	Hedging transactions	Trading transactions	Hedging transactions
<b>Foreign exchange instruments</b>				
Options	34,656,942	33,529,266	25,688,855	26,731,025
<b>Equity and index instruments</b>				
Options	128,084,362	275,228,784	337,951,926	212,916,354
<b>Commodity Instruments</b>				
Options	18,458,750	42,215,300	18,063,500	7,442,500

### Commitments received

(in K USD)

	June 30, 2008		December 31, 2007	
	Trading transactions	Hedging transactions	Trading transactions	Hedging transactions
<b>Foreign exchange instruments</b>				
Options	33,529,266	34,656,942	26,731,025	25,688,855
<b>Equity and index instruments</b>				
Options	275,228,785	128,084,359	212,916,354	337,951,926
<b>Commodity instruments</b>				
Options	42,215,300	18,458,750	7,442,500	18,063,500



**NOTE 5**  
**BREAKDOWN OF ASSETS AND LIABILITIES BY TERM TO MATURITY**

**Maturities of financial assets and liabilities**

(in K of USD at Jun 30, 2008)

	Less than 3 months	3 months to 1 year	1-5 years	More than 5 years	Total
<b>ASSETS</b>					
Cash, due from central banks	-	-	-	-	-
Financial assets at fair value through profit and loss	47,820,120	17,264,325	48,953,860	33,119,531	147,157,836
Hedging derivatives	-	-	-	-	-
Available for sale financial assets	-	-	-	-	-
Due from banks	275,619	1,127,691	2,663,650	2,708,511	6,775,471
Customer loans	-	-	-	-	-
Lease financing and similar agreements	-	-	-	-	-
Revaluation differences on portfolios hedged against interest rate risk	-	-	-	-	-
Held to maturity financial assets	-	-	-	-	-
<b>Total Assets</b>	<b>48,095,739</b>	<b>18,392,016</b>	<b>51,617,510</b>	<b>35,828,042</b>	<b>153,933,307</b>
<b>LIABILITIES</b>					
Due to central banks	-	-	-	-	-
Financial liabilities measured at fair value through profit and loss	47,820,202	17,264,325	48,953,861	33,119,531	147,157,919
Hedging derivatives	-	-	-	-	-
Due to banks	165	6,112	-	906,430	912,707
Customer deposits	-	-	-	-	-
Securitized debt payables	274,316	1,121,579	2,663,650	1,802,081	5,861,626
Revaluation differences on portfolios hedged against interest rate risk	-	-	-	-	-
<b>Total Liabilities</b>	<b>48,094,683</b>	<b>18,392,016</b>	<b>51,617,511</b>	<b>35,828,042</b>	<b>153,932,252</b>

**NOTE 6**  
**INTEREST INCOME AND EXPENSE**

(in K USD)	June 30, 2008	December 31, 2007	June 30, 2007
<b>Transactions with banks</b>			
Demand deposits and interbank loans	143,230	114,288	40,153
Securities purchased under resale agreements and loans secured by notes and securities	143,230	114,288	40,153
<b>Transactions with customers</b>			
Trade notes			
Other customer loans		-	-
Overdrafts		-	-
Securities purchased under resale agreements and loans secured by notes and securities		-	-
Other income		-	-
<b>Transactions in financial instruments</b>			
Available for sale financial assets			
Held to maturity financial assets		-	-
Securities lending		-	-
Hedging derivatives		-	-
<b>Finance leases</b>			
Real estate finance leases		-	-
Non-real estate finance leases		-	-
<b>Total interest income</b>	<b>143,230</b>	<b>114,288</b>	<b>40,153</b>
<b>Transactions with banks</b>			
Interbank borrowings	(20,918)	(20,078)	(3,656)
Securities sold under resale agreements and borrowings secured by notes and securities	(20,918)	(20,078)	(3,656)
<b>Transactions with customers</b>			
Regulated savings accounts		-	-
Other customer deposits		-	-
Securities sold under resale agreements and borrowings secured by notes and securities		-	-
<b>Transactions in financial instruments</b>			
Securitized debt payables	(122,338)	(94,247)	(36,377)
Subordinated and convertible debt	(122,338)	(94,247)	(36,377)
Securities borrowing		-	-
Hedging derivatives		-	-
<b>Other interest expense</b>			
<b>Total interest expense</b>	<b>(143,256)</b>	<b>(114,325)</b>	<b>(40,033)</b>
<b>Margin of interest</b>	<b>(26)</b>	<b>(37)</b>	<b>120</b>

**NOTE 7**  
**NET INCOME AND EXPENSE FROM FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH P&L**

<i>(in K USD)</i>	30/06/08	31/12/07	30/06/07
Net gain/loss on non-derivative financial assets held for trading	(6,375,599)	6,403,530	5,427,692
Net gain/loss on financial assets measured using fair value option	(285,790)	225,667	57,782
Net gain/loss on non-derivative financial liabilities held for trading	6,677,460	(6,483,241)	(5,512,419)
Net gain/loss on financial liabilities measured using fair value option	(16,071)	(145,954)	26,943
Net gain/loss on derivative instruments - warrant	99,241,181	110,979,169	54,787,181
Net gain/loss on derivative instruments - option	(99,241,182)	(110,979,169)	(54,787,178)
Net gain/loss on foreign exchange transactions	6	2	8
<b>Total</b>	<b>5</b>	<b>4</b>	<b>9</b>

**NOTE 8**  
**OTHER ADMINISTRATIVE COSTS**

<i>(in K USD)</i>			
	30.06.2008	31.12.2007	30.06.2007
Employee compensation		-	-
Social security charges and payroll taxes		-	-
Retirement expenses - defined contribution plans		-	-
Retirement expenses - defined benefit plans		-	-
Other social security charges and taxes		-	-
Services granted ( Management Agreement )	(209)	(374)	(171)
Operating costs ( Financial Services Agreement )	230	407	42
<b>Total</b>	<b>21</b>	<b>33</b>	<b>(129)</b>

**NOTE 9  
EQUITY**

(En K USD)				
	Net position as at June, 30 2007	Net position as at December, 31 2007	Allocation of earning	Net position as at 30 juin 2008
Share capital	560	560	-	560
Retained profit	875	875	-	875
<u>Total equity before profit for the year</u>	<u>1,435</u>	<u>1,435</u>	-	<u>1,435</u>
Profit for the year	-	-	-	-
<b>Total equity</b>	<b>1,435</b>	<b>1,435</b>	<b>-</b>	<b>1,435</b>

## CASH FLOW STATEMENT

(In millions of USD)

	30/06/08	31/12/07	30/06/07
<b>Net cash flow from operating activities</b>	-	-	-
<i>Non monetary items :</i>			
- Depreciation and amortization	-	-	-
<i>Bond Debt</i>			
Issuing : EMTN	- 13,485	- 35,763	- 18,319
Issuing : Bonds	- 1,165	- 679	- 126
Redemptions : EMTN	11,047	43,255	7,412
Redemptions : Bonds	3,060	13,409	5,216
<i>Forward financial instruments commitments sold :</i>			
Warrants premium sold	- 99,241	- 110,979	- 54,787
<i>Interbank activities and Cash</i>			
Subscriptions of term loans ( PLP )	- 14,649	- 36,442	- 18,445
Redemption of term loans ( PLP )	- 14,108	- 56,664	- 12,628
<i>Forward financial instruments commitments bought :</i>			
Option premiums bought	99,241	110,979	54,787
<i>Other cash inflow/outflow from banking activities</i>			
Accrued interest paid on debt securities	- 2,243	- 4,109	- 1,601
Accrued Interest received on loan to banks	2,243	4,109	1,601
Dividends received from subsidiaries	-	-	-
Income tax	-	-	-
Other	-	-	-
<b>Change in working capital</b>	<b>I + II</b>	-	-
<i>Net cash inflow/outflow from investing activities</i>	<b>I</b>	-	-
Purchase of fixed assets	-	-	-
Proceeds from sale of fixed assets	-	-	-
Purchase/proceeds from sale of affiliates and other long term investments	-	-	-
Net cash inflow/outflow from other investing activities	-	-	-
<i>Capital transactions</i>	<b>II</b>	-	-
Capital increase	-	-	-
Subordinated Debt increase/decrease	-	-	-
Dividends paid	-	-	-
<b>Net Cash Flow</b>	<b>( b+c-a )</b>	-	-
Cash : Opening balances	<b>( a )</b>	<b>1</b>	<b>1</b>
Cash : Closing balances	<b>( b )</b>	<b>1</b>	<b>1</b>
Impact of the variations in exchange rate	<b>( c )</b>	-	-

**FOURTH SUPPLEMENT**  
**Dated 1 December 2008**

To the Debt Issuance Programme Prospectus dated 2<sup>nd</sup> May 2008 of

**SOCIETE GENERALE**  
(incorporated in France)

**SGA SOCIETE GENERALE ACCEPTANCE N.V.**  
(incorporated in The Netherlands Antilles)

and  
**SG OPTION EUROPE**  
(incorporated in France)

**€125,000,000,000 Euro Medium Term Note Programme**

This document constitutes a Supplement to the Prospectus for the purposes of Article 16 of the Prospectus Directive and must be read in conjunction with such Debt Issuance Programme Prospectus and any other Supplements thereto. Full information on the Issuer and the offer of any Notes is only available on the basis of the combination of the Prospectus and all the Supplements thereto. Copies of such Prospectus and this Supplement are available at [www.bourse.lu](http://www.bourse.lu) and from the head office of each Issuer and the specified offices of the Paying Agents.

This document must be read in conjunction with the Debt Issuance Programme Prospectus and the First Supplement dated 29 May 2008, the Second Supplement dated 13 June 2008 and the Third Supplement dated 2 September 2008.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Debt Issuance Programme Prospectus dated 2 May 2008 (the **Prospectus**), approved by the Commission de Surveillance du Secteur Financier (the **CSSF**) on 2 May 2008 in accordance with article 7 of the Luxembourg law on prospectuses for securities implementing article 13 of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC (the **Prospectus Directive**).

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, to the best of the knowledge and belief of each Issuer and the Guarantor, no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus has arisen or been noted, as the case may be, since the publication of the Prospectus.

In accordance with Article 13 paragraph 2 of the Luxembourg Law, investors who have already agreed to purchase or subscribe for the securities before this Supplement is published have the right, exercisable within a time limit of minimum two working days after the publication of this Supplement, to withdraw their acceptances.

The following documents which has previously been published or is published simultaneously with this Supplement and has been filed with the CSSF, shall be deemed to be incorporated in, and to form part of, this Supplement:

- the English version of the fourth update to the 2008 registration document of Société Générale submitted to the *Autorité des marchés financiers* on 6<sup>th</sup> November 2008 under No. D.08-0084-A04, except for the inside cover page containing the *Autorité des marchés financiers* visa, the statement of the person responsible for the update to the registration document at page 50 and Chapter 13 containing the Cross Reference Table on pages 52 and 53, (the "**Excluded Sections**", and the fourth update to the 2008 registration document without the Excluded Sections, the "**Fourth Update to the 2008 Registration Document**"). To the extent that the Fourth Update to the 2008 Registration Document itself incorporates documents by reference, such documents shall not be deemed incorporated by reference herein. Any reference to the Fourth Update to the 2008 registration document shall be deemed to exclude the Excluded Sections.
- The interim financial statements of SGA Société Générale Acceptance N.V. ended 30<sup>th</sup> June 2008 and the related notes and audit report.

As a consequence, the second part of the paragraph heading No Material Adverse Change of the "*General Information*" section page 380 of the Prospectus should refer to the date of the last published financial statements. Therefore the second part of the paragraph shall be deleted and replaced by the following:

"Save as disclosed in this Debt Issuance Programme Prospectus, there has been no significant change in the financial or trading position of SGA Société Générale Acceptance N.V., SG Option Europe and Société Générale and its consolidated subsidiaries (taken as a whole) since, in the case of Société Générale and SGA Société Générale Acceptance N.V., their last respective audited financial statements dated June 30, 2008, and, in the case of SG Option Europe, the publication of its interim unaudited financial statements dated 31 December 2007".

The following amendments to the Prospectus are hereby made by way of this Supplement:

- On page 335 of the Prospectus, paragraph heading ITALY of the "*Subscription, Sale and Transfer Restrictions*" shall be deleted and replaced by the following:

"ITALY

The statements herein regarding taxation are based on the laws in force in Italy as at the date of this Programme and are subject to any changes in law occurring after such date, such changes could be made on a retroactive basis. The following summary does not purport to be



a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules. Prospective purchasers of the Notes are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Notes.

#### Tax treatment of the Notes

The Notes may be subject to different tax regimes depending on whether:

- a) such Notes represent a debt instrument implying a "use of capital" (impiego di capitale), through which the Noteholders transfer to the Issuer a certain amount of capital, for the economic exploitation of the same, subject to the right to obtain a reimbursement (in whole or in part) of such amount at maturity; or
- b) such Notes represent derivative financial instruments or bundles of derivative financial instruments, through which the Noteholders indirectly purchase underlying financial instruments

Notes representing debt instruments implying a "use of capital"

Notes incorporating the obligation of the Issuer to repay 100 per cent. of the principal

Legislative Decree No. 239 of 1 April 1996, as subsequently amended (Decree 239), provides for the applicable regime with respect to the tax treatment of interest, premium and other income (including the difference between the redemption amount and the issue price) from notes falling within the category of bonds (obbligazioni) or debentures similar to bonds (titoli similari alle obbligazioni) issued, inter alia, by non-Italian resident issuers.

Notes with an original maturity higher than 18 months - Italian resident Noteholders

Where the Notes have an original maturity of at least 18 months and an Italian resident Noteholder is (a) an individual not engaged in an entrepreneurial activity to which the Notes are connected (unless he has opted for the application of the "risparmio gestito" regime - see under "Capital gains tax", below); (b) a non-commercial partnership; (c) a non-commercial private or public institution; or (d) an investor exempt from Italian corporate income taxation, interest, premium and other income relating to the Notes, accrued during the relevant holding period, are subject to a tax withheld at source, referred to as imposta sostitutiva, levied at the rate of 12.5 per cent. If the Noteholders described under (a) and (c) above are engaged in an entrepreneurial activity to which the Notes are connected, the imposta sostitutiva applies as a provisional tax.

Under the current regime provided by Law Decree No. 351 of 25 September 2001 converted into law with amendments by Law No. 410 of 23 November 2001, as clarified by the Italian Ministry of Economics and Finance through Circular No. 47/E of 8 August 2003, payments of interest premium or other proceeds in respect of the Notes made to Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998, as amended and supplemented, and article 14-bis of Law No. 86 of 25 January 1994 are subject neither to substitute tax nor to any other income tax in the hands of a real estate investment fund.

Where an Italian resident Noteholder is a company or similar commercial entity and the Notes are deposited with an authorised intermediary, interest, premium and other income from the Notes will not be subject to imposta sostitutiva, but must be included in the relevant Noteholder's income tax return and are therefore subject to general Italian corporate taxation.

If the investor is resident in Italy and is an open-ended or closed-ended investment fund (the Fund) or a SICAV, and the Notes are held by an authorised intermediary, interest, premium and other income accrued during the holding period on the Notes will not be subject to imposta sostitutiva, but must be included in the management results of the Fund accrued at the end of each tax period, subject to an ad-hoc substitute tax (the Collective Investment Fund Tax) applicable at a 12.5 per cent.

Where an Italian resident Noteholder is a pension fund (subject to the regime provided for by Article 17 of the Legislative Decree No. 252 of 5 December 2005) and the Notes are deposited with an authorised intermediary, interest, premium and other income relating to the Notes and accrued during the holding period will not be subject to imposta sostitutiva, but must be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to an 11 per cent. substitute tax.

Pursuant to Decree 239, imposta sostitutiva is applied by banks, SIMs, fiduciary companies, SGRs, stockbrokers and other entities identified by a decree of the Ministry of Economy and Finance (each an Intermediary).

An Intermediary must (a) be resident in Italy or be a permanent establishment in Italy of a non-Italian resident financial intermediary; and (b) intervene, in any way, in the collection of interest or in the transfer of the Notes. For the purpose of the application of the imposta sostitutiva, a transfer of Notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Notes or in a change of the Intermediary with which the Notes are deposited.

Where the Notes are not deposited with an Intermediary, the imposta sostitutiva is applied and withheld by any entity paying interest to a Noteholder.

#### Early Redemption

Without prejudice to the above provisions, in the event that Notes having an original maturity of at least 18 months are redeemed, in full or in part, prior to 18 months from their issue date, Italian resident Noteholders will be required to pay, by way of a withholding to be applied by the Italian intermediary responsible for payment of interest or the redemption of the Notes, an amount equal to 20 per cent. of the interest and other amounts accrued up to the time of the early redemption.

#### Notes with an original maturity of less than 18 months – Italian resident Noteholders

Where the Notes have an original maturity of less than 18 months and an Italian resident Noteholder is (a) an individual not engaged in an entrepreneurial activity to which the Notes are connected (unless he has opted for the application of the “risparmio gestito” regime - see under “Capital gains tax”, below); (b) a non-commercial partnership; (c) a non-commercial private or public institution or (d) an investor exempt from Italian corporate income taxation, interest, premium and other income relating to the Notes, accrued during the relevant holding period, are subject to imposta sostitutiva, withheld at source at the rate of 27 per cent.

Imposta sostitutiva will also be levied at rate of 27 per cent. to Italian resident Funds, SICAV and pension funds.

Where an Italian resident Noteholder is a company or similar commercial entity and the Notes are deposited with an authorised intermediary, interest, premium and other income from the Notes will not be subject to imposta sostitutiva, but must be included in the relevant Noteholder's income tax return and are therefore subject to general Italian corporate taxation.

#### Non-Italian resident Noteholders

No Italian imposta sostitutiva is applied on payments to a non-Italian resident Noteholder of interest or premium relating to the Notes provided that, if the Notes are held in Italy, the non-Italian resident Noteholder declares itself to be a non-Italian resident according to Italian tax regulations.

Atypical securities (Notes not incorporating the obligation of the Issuer to repay 100 per cent. of the principal)

Interest payments relating to Notes that are not deemed to fall within the category of bonds (obbligazioni) or debentures similar to bonds (titoli similari alle obbligazioni) may be subject to a withholding tax, levied at the rate of 27 per cent. For this purpose, debentures similar to bonds are securities that incorporate an unconditional obligation to pay, at maturity, an amount not lower than their nominal value.

The 27 per cent. withholding tax mentioned above does not apply to interest payments made to a non-Italian resident Noteholder and to an Italian resident Noteholder which is (a) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (b) a commercial partnership, or (c) a commercial private or public institution.

#### Capital gains tax

Any gain obtained from the sale or redemption of the Notes would be treated as part of the taxable income (and, in certain circumstances, depending on the "status" of the Noteholder, also as part of the net value of production for IRAP purposes) if realised by an Italian company or a similar commercial entity (including the Italian permanent establishment of foreign entities to which the Notes are connected) or Italian resident individuals engaged in an entrepreneurial activity to which the Notes are connected.

Where an Italian resident Noteholder is an individual not holding the Notes in connection with an entrepreneurial activity and certain other persons, any capital gain realised by such Noteholder from the sale or redemption of the Notes would be subject to an imposta sostitutiva, levied at the current rate of 12.5 per cent. Noteholders may set off losses with gains.

In respect of the application of the imposta sostitutiva, taxpayers may opt for one of the three regimes described below.

Under the tax declaration regime (regime della dichiarazione), which is the default regime for Italian resident individuals not engaged in entrepreneurial activity to which the Notes are connected, the imposta sostitutiva on capital gains will be chargeable, on a cumulative basis,

on all capital gains, net of any incurred capital loss, realised by the Italian resident individual Noteholder holding Notes not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Notes carried out during any given tax year. Italian resident individuals holding Notes not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay imposta sostitutiva on such gains together with any balance of income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

As an alternative to the tax declaration regime, Italian resident individual Noteholders holding the Notes not in connection with an entrepreneurial activity may elect to pay the imposta sostitutiva separately on capital gains realised on each sale or redemption of the Notes (the *risparmio amministrato* regime). Such separate taxation of capital gains is allowed subject to (a) the Notes being deposited with Italian banks, SIMs or certain authorised financial intermediaries; and (b) an express election for the *risparmio amministrato* regime being punctually made in writing by the relevant Noteholder. The depository is responsible for accounting for imposta sostitutiva in respect of capital gains realised on each sale or redemption of the Notes (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Noteholder or using funds provided by the Noteholder for this purpose. Under the *risparmio amministrato* regime, where a sale or redemption of the Notes results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the *risparmio amministrato* regime, the Noteholder is not required to declare the capital gains in its annual tax return.

In the case of Notes entitling the holder to acquire shares, the capital gains realised on the redemption or the transfer or sale of such Notes are not subject to imposta sostitutiva but a portion equal to 40 per cent. (49.72 per cent. as of 2009) of such capital gains must be included in the relevant Noteholder's income tax return (and subjected to ordinary income tax) to the extent that the underlying shares in respect of such Notes transferred or redeemed within any 12-month period represent a participation representing more than 2 per cent. of the voting rights or 5 per cent. of the capital of the underlying company (in the case of unlisted companies, the above thresholds are 20 per cent. and 25 per cent. respectively).

Any capital gains realised by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Notes, to an authorised intermediary and have opted for the so-called "*risparmio gestito*" regime will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 12.5 per cent. substitute tax, to be paid by the managing authorised intermediary. Under the *risparmio gestito* regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the *risparmio gestito* regime, the Noteholder is not required to declare the capital gains realised in its annual tax return.

Any capital gains realised by a Noteholder which is an Italian open-ended or a closed-ended investment fund or a SICAV will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the Collective Investment Fund Tax.

Any capital gains realised by a Noteholder which is an Italian pension fund (subject to the regime provided for by Article 17 of the Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 11 per cent. substitute tax.

Capital gains realised by non-Italian resident Noteholders from the sale or redemption of the Notes are not subject to imposta sostitutiva, provided that the Notes (i) are transferred on regulated markets, or (ii) if not transferred on regulated markets, are held outside Italy.

Notes representing derivative financial instruments or bundles of derivative financial instruments

#### Italian resident Noteholders

Where the Italian resident Noteholder is (i) an individual not engaged in an entrepreneurial activity to which the Notes are connected, (ii) a non-commercial partnership, (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, payments in respect of Notes qualifying as securitised derivative financial instruments as well as capital gains realised on any sale or transfer for consideration or exercise or redemption thereof are subject to a 12.5 per cent. substitute tax (imposta sostitutiva). In respect of the application of the imposta sostitutiva, taxpayers may opt for one of the same three tax regimes described above under the heading "Capital gains tax".

In the case of Notes entitling the holder to acquire shares, the capital gains realised on the redemption or the transfer or sale of the Notes are not subject to imposta sostitutiva but a portion equal to 40 per cent. (49.72 per cent. as of 2009) of the capital gains must be included in the relevant Noteholder's income tax return (and subjected to ordinary income tax) to the extent that the underlying shares in respect of such Notes transferred or redeemed within any 12-month period represent a participation representing more than 2 per cent. of the voting rights or 5 per cent. of the capital of the underlying company (in the case of unlisted companies, the above thresholds are 20 per cent. and 25 per cent. respectively).

#### Non-Italian resident Noteholders

Payments in respect of Notes qualifying as securitised derivative financial instruments received by non-Italian Noteholders as well as capital gains realised by non-Italian Noteholders that are not resident for tax purposes in Italy are not subject to Italian taxation, provided that the Notes (i) are transferred on regulated markets, or (ii) if not transferred on regulated markets, are held outside Italy.

#### Inheritance and gift taxes

Pursuant to Law Decree No. 262 of 3 October 2006 (Decree No. 262), converted into Law No. 286 of 24 November 2006, as subsequently amended, the transfers of any valuable asset (including shares, bonds or other securities) as a result of death or donation are taxed as follows:

- (a) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding €1,000,000 (per beneficiary);
- (b) transfers in favour of relatives to the fourth degree or relatives-in-law to the third degree are subject to an inheritance and gift tax at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or the gift exceeding €100,000 (per beneficiary); and
- (c) any other transfer is subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift.

If the transfer is made in favour of persons with severe disabilities, the tax applies on the value of the relevant asset exceeding EUR 1,500,000.

#### Tax monitoring obligations

For tax-monitoring purposes, Italian resident individuals will be required to report in their annual income tax return, in accordance with Law Decree No. 167 of 28 June 1990 implemented into law by Law No. 227 of 4 August 1990, the following information:

- (a) the amount of Notes (issued by non Italian resident entities) held at the end of each tax year, to the extent in excess of an aggregate amount of EUR 10,000.00;
- (b) the amount of any transfers from abroad, towards abroad and occurring abroad, relating to the Notes (issued by non Italian resident entities), occurring during each tax year, to the extent in excess of an aggregate amount of EUR 10,000.00. This also applies in any case where at the end of the tax year, the Notes are no longer held by Italian individuals.

Italian individuals will however not be required to comply with the above reporting requirements with respect to Notes deposited for management with qualified Italian financial intermediaries and with respect to contracts entered into via such financial intermediaries, upon condition that the items of income derived from the Notes are received through the same intermediaries.

#### Transfer tax

Article 37 of Law Decree No 248 of 31 December 2007, converted into Law No. 31 of 28 February 2008, published on the Italian Official Gazette No. 51 of 29 February 2008, has abolished the Italian transfer tax, provided for by Royal Decree No. 3278 of 30 December 1923, as amended and supplemented by the Legislative Decree No. 435 of 21 November 1997.

#### EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income (the Savings Directive), Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However, for a transitional

period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have agreed to adopt similar measures (a withholding system in the case of Switzerland).

#### Implementation in Italy of the Savings Directive

Italy has implemented the Savings Directive through Legislative Decree No. 84 of 18 April 2005 (Decree No. 84). Under Decree No. 84, subject to a number of important conditions being met, in the case of interest paid to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian qualified paying agents shall not apply the withholding tax and shall report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner. Such information is transmitted by the Italian Tax Authorities to the competent foreign tax authorities of the State of residence of the beneficial owner."

- The Annex attached to this Supplement cancels and replaces the former Credit Technical Annex which can be found on page 244 of the Prospectus.

Consequential amendments effective as of the date hereof have been made to the Agency Agreement.

Copies of this Supplement can be obtained, without charge, from the office of Société Générale and the specified office of each of the Paying Agents, in each case at the address given at the end of the Debt Issuance Programme Prospectus. In addition, the documents incorporated by reference will be available from the principal office in Luxembourg of Société Générale Bank & Trust for Notes listed on the Luxembourg Stock Exchange and available for viewing on the Luxembourg Stock Exchange website ([www.bourse.lu](http://www.bourse.lu)).

## Cross-reference table

### Société Générale

<b>Société Générale's third quarter 2008 unaudited interim and other financial information for the period from 1<sup>st</sup> July, 2008 to 31<sup>st</sup> October, 2008</b>	
Group consolidated results and explanations	Fourth Update to the 2008 Registration Document pages 18 to 45
Consolidated Income Statement relating to the above	Fourth Update to the 2008 Registration Document page 42
Changes in shareholders' equity	Fourth Update to the 2008 Registration Document pages 23
<b>Société Générale share capital as at 2 November 2008</b>	Fourth Update to the 2008 Registration Document page 23 and 49- This information being for information purpose only.

### SGA Société Générale Acceptance N.V.

<b>SGA Société Générale Acceptance N.V. interim financial statements for the six- months period ended 30 June 2008, and related notes and audit report</b>	
Balance Sheet relating to the above	Financial Statements page 3
Income Statement relating to the above	Financial Statements page 5
Cash-flow Statement relating to the above	Financial Statements page 21
Financial Assets and Liabilities at Fair Value through profit & loss	Financial statements page 12
Notes relating to the above	Financial Statements pages 12 to 21
Free English translation of the audit report related to the above	Incorporated before the Financial Statements on the pages 1 and 2

Information contained in the documents incorporated by reference other than information listed in the table above is for information purposes only.

## RESPONSIBILITY

Each Issuer and the Guarantor accepts responsibility for the information contained, or incorporated by reference, in this Supplement. The information incorporated by reference in this Supplement was originally made available to the public by Société Générale via the documents mentioned in the table above. To the best of the knowledge and belief of each Issuer and the Guarantor (each having taken all reasonable care to ensure that such is the case) the information contained, or incorporated by reference, in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.



Signed on behalf of Société Générale:

Signed on behalf of SGA Société Générale  
Acceptance N.V.:

By:

By: Julien MONTEUX

Olivier Khayat  
*Duly authorised*

*Duly authorised*

Global Head of Fixed Income, Currencies and Commodities

27/11/08

Signed on behalf of SG Option Europe:

By: Bruno BENOIST

*Duly authorised*

BA

## Annex

### C) CREDIT TECHNICAL ANNEX

Capitalised terms used but not defined in this Part 1 shall have the meanings given to them in Part 2 of this Credit Technical Annex save to the extent it is supplemented or modified in the applicable Final Terms.

*Legend:*

*\*: delete if the Settlement Method specified in the applicable Final Terms is Physical Settlement*

*\*\* : delete if the Settlement Method specified in the applicable Final Terms is Cash Settlement*

#### PART 1 - CREDIT EVENT PROVISIONS

##### **I. If the Settlement Method specified in the applicable Final Terms is Physical Settlement:**

###### **1. Physical Settlement**

- 1.1** If a Credit Event has occurred, as determined by the Calculation Agent, in the period from and including the Launch Date to and including the Last Credit Event Occurrence Date and a Credit Event Notice and, if applicable a Notice of Publicly Available Information, are delivered during the Notice Delivery Period by or on behalf of the Issuer to the Relevant Clearing System for the Noteholders' information, then the Issuer will no longer be liable for the payment of the Final Redemption Amount on the Scheduled Maturity Date or on the Maturity Date, as the case may be, and will, in full and final satisfaction of its obligations hereunder in respect of the redemption of each Note, Deliver or procure Delivery of the Physical Delivery Amount to the Noteholders during the Physical Settlement Period, subject to the next following paragraph, clause 1.6 below and the cash settlement provisions hereafter.

The Delivery of the Specified Deliverable Obligations (or the payment of the Cash Settlement Amount as the case may be) is subject to the prior delivery by or on behalf of the Issuer to the Relevant Clearing System for the Noteholders' information, of a Notice of Physical Settlement between the Credit Event Determination Date and the Latest Notification Date (both dates inclusive).

- 1.2** Following the occurrence of a Credit Event with respect to a Reference Entity, the Issuer has sole and absolute discretion to select the Specified Deliverable Obligations.
- 1.3** The Issuer will not necessarily Deliver all the Specified Deliverable Obligations on the same date, and may Deliver Specified Deliverable Obligations to different Noteholders on different dates or to the same Noteholder on different dates.
- 1.4** The Issuer is not obliged to Deliver the same type and proportion of Deliverable Obligations to each Noteholder and a Noteholder may receive various types of Deliverable Obligations.
- 1.5** If any or all of the Specified Deliverable Obligations are not eligible for clearance by the Relevant Clearing System, then the Issuer may, at its discretion but upon prior notice to the Noteholders, arrange:
- (i) Delivery of those Specified Deliverable Obligations, if any, that are eligible for clearance by the Relevant Clearing System in the Relevant Clearing System and Delivery of those Specified Deliverable Obligations that are not eligible for clearance by the Relevant Clearing System outside the Relevant Clearing System; or
  - (ii) Delivery of all the Specified Deliverable Obligations (whether or not those Specified Deliverable Obligations are eligible for clearance) outside the Relevant Clearing System.

The Relevant Clearing System will then be instructed to block and, upon confirmation by the Issuer that delivery has taken place, cancel the Noteholders' positions in its books and the Fiscal Agent in turn will cancel the outstanding Notes. If Delivery is to take place outside the Relevant Clearing System, the

Issuer must receive the relevant Noteholders' transfer instructions in terms that are satisfactory to the Issuer sufficiently before the Latest Permissible Physical Settlement Date to allow for physical settlement, otherwise the cash settlement provisions set out below will apply.

- 1.6 If the Issuer delivers or procures delivery to the Relevant Clearing System for the Noteholders' information, of a valid Credit Event Notice and, if applicable a Notice of Publicly Available Information, but fails to deliver or procure delivery of a Notice of Physical Settlement on or before the Latest Notification Date, then the Issuer shall pay to the Noteholders, in respect of each Note, an amount in cash equal to 100 per cent. of the Nominal Amount (or, if applicable, the Partial Redemption Amount per Note (as defined in clause III of this Part 1) in case of occurrence of a Restructuring, of each Note outstanding or the Multiple Successor Notional Amount (as defined in clause IV of this Part 1)), in each case, on the:

- *if American Settlement is specified in the applicable Final Terms:* fourth Business Day following the Latest Notification Date.
- *If European Settlement is specified in the applicable Final Terms:* later of (i) the Scheduled Maturity Date and (b) the fourth Business Day following the Latest Notification Date.

*If American Settlement is specified in the applicable Final Terms and clause 1.1 of this Part 1.1 applies, the following clause 1.7 shall apply:*

- 1.7 Interest Period means each period from and including an Interest Payment Date to but excluding the next Interest Payment Date; provided however that the first Interest Period begins on the Interest Commencement Date (inclusive) and the last Interest Period remains subject to the provisions of this Part 1.

*If Accrual of Interest is specified as Applicable in the related Final Terms:* The last Interest Period will be the period from and including the Interest Payment Date immediately preceding the Credit Event Determination Date (or from and including the Interest Commencement Date in the case of a Credit Event occurring before the first Interest Payment Date) to but excluding the Credit Event Determination Date and the last Interest Payment Date will be the Physical Settlement Date. No interest shall accrue nor be payable from and including the Credit Event Determination Date to the Physical Settlement Date.

*If (i) Accrual of Interest is specified as Applicable and (ii) Repudiation /Moratorium or Grace Period Extension are specified as Applicable in the related Final Terms:* The last Interest Period will be the period from and including the Interest Payment Date immediately preceding the Credit Event Determination Date (or from and including the Interest Commencement Date in the case of a Credit Event occurring before the first Interest Payment Date) to but excluding the earlier of (a) the Credit Event Determination Date and (b) the Scheduled Maturity Date.

In such event, the last Interest Payment Date will be the Physical Settlement Date. Provided that, if (i) the Credit Event that is the subject of the Credit Event Notice is a Repudiation/Moratorium that occurs after the fourth Business Day prior to the Scheduled Maturity Date, (ii) the Potential Repudiation/Moratorium with respect to such Repudiation/Moratorium occurs on or prior to the fourth Business Day prior to the Scheduled Maturity Date and (iii) the Repudiation/Moratorium Extension Condition is satisfied, in which case, the last Interest Payment Date is the Scheduled Maturity Date. Provided further that, if (i) the Credit Event that is the subject of the Credit Event Notice is a Failure to Pay that occurs after the fourth Business Day prior to the Scheduled Maturity Day and (ii) the Potential Failure to Pay with respect to such Failure to Pay occurs on or prior to the fourth Business Day prior to the Scheduled Maturity Date, the last Interest Payment Date shall be the Scheduled Maturity Date.

No interest shall accrue nor be payable from and including the Credit Event Determination Date to the Physical Settlement Date. In the event the Maturity Date falls after the Scheduled Maturity Date, no interest will be payable from and including the Scheduled Maturity Date to the Maturity Date.

*If Accrual of Interest is specified as Not Applicable in the related Final Terms:* The last Interest Period will be the Interest Period (if any) ending on the Interest Payment Date immediately preceding the

Credit Event Determination Date. No interest shall accrue nor be payable from and including the Interest Payment Date preceding the Credit Event Determination Date (or the Interest Commencement Date in case of a Credit Event occurring before the first Interest Payment Date) to the Physical Settlement Date.

*If (i) Accrual of Interest is specified as Not Applicable and (ii) Repudiation /Moratorium or Grace Period Extension are specified as Applicable in the related Final Terms:* The last Interest Period will be the Interest Period (if any) ending on the earlier of (a) the Interest Payment Date immediately preceding the Credit Event Determination Date and (b) the Scheduled Maturity Date. No interest shall accrue nor be payable from and including the Interest Payment Date preceding the Credit Event Determination Date (or the Interest Commencement Date in case of a Credit Event occurring before the first Interest Payment Date) to the Physical Settlement Date. In the event the Maturity Date falls after the Scheduled Maturity Date, no interest will be payable from and including the Scheduled Maturity Date to the Maturity Date.

*If Accrual of Interest is specified as Applicable in the related Final Terms and there is only one Interest Period:* The Interest Period will be the period from and including the Interest Commencement Date to but excluding the Credit Event Determination Date, the Interest Payment Date will be the Physical Settlement Date. No interest shall accrue nor be payable from and including the Credit Event Determination Date to the Physical Settlement Date.

*If (i) Accrual of Interest is specified as Applicable and (ii) Repudiation /Moratorium or Grace Period Extension are specified as Applicable in the related Final Terms and there is only one Interest Period:* The Interest Period will be the period from and including the Interest Commencement Date to but excluding the earlier of (a) the Credit Event Determination Date and (b) the Scheduled Maturity Date.

In such event, the last Interest Payment Date will be the Physical Settlement Date. Provided that, if (i) the Credit Event that is the subject of the Credit Event Notice is a Repudiation/Moratorium that occurs after the fourth Business Day prior to the Scheduled Maturity Date, (ii) the Potential Repudiation/Moratorium with respect to such Repudiation/Moratorium occurs on or prior to the fourth Business Day prior to the Scheduled Maturity Date and (iii) the Repudiation/Moratorium Extension Condition is satisfied, in which case, the last Interest Payment Date is the Scheduled Maturity Date.

No interest shall accrue nor be payable from and including the Credit Event Determination Date to the Physical Settlement Date. In the event the Maturity Date falls after the Scheduled Maturity Date, no interest will be payable from and including the Scheduled Maturity Date to the Maturity Date.

*If Accrual of Interest is specified as Not Applicable in the related Final Terms and there is only one Interest Period:* No interest shall accrue nor be payable in respect of the Notes.

For the avoidance of doubt, should a Credit Event Determination Date occur within an Interest Period less than four Business Days prior to the relevant Interest Payment Date and the Issuer's payment instructions have already been given in respect of interest payable with respect to such Interest Period, then the Issuer shall be authorised to deduct from the Physical Delivery Amount the amount of overpaid interest, such deduction being determined by the Calculation Agent in its sole and absolute discretion acting in a commercially reasonable manner.

## **2. Cash Settlement**

- 2.1** If, on the Latest Permissible Physical Settlement Date, the Calculation Agent (acting on behalf of the Issuer) determines that it is Illegal or Impossible for the Issuer to Deliver all or part of the Specified Deliverable Obligations to all or some of the Noteholders or if the Issuer does not receive transfer instructions as described in the last sentence of clause 1.5 above, then the Calculation Agent will calculate in respect of such part of the Specified Deliverable Obligations which are Undeliverable Obligations a Cash Settlement Amount and the Issuer will, on the Cash Settlement Date, pay or procure payment of a Cash Settlement Amount to the relevant Noteholders in final and full satisfaction of its obligations in respect of the Undeliverable Obligations.

- 2.2 The Issuer must notify the relevant Noteholders through the Relevant Clearing System that there are Undeliverable Obligations and the reasons why it is Illegal or Impossible to Deliver such Specified Deliverable Obligations.
- 2.3 If, before the Latest Permissible Physical Settlement Date, the Calculation Agent determines that the Delivery of all of the Specified Deliverable Obligations is Illegal or Impossible it deems in good faith that such Delivery is to remain Illegal or Impossible, until the Latest Permissible Physical Settlement Date, then the Calculation Agent may give notice thereof to the Relevant Clearing System for the attention of the Noteholders. The Credit Valuation Date will then be the date that is two Business Days after the date on which the Calculation Agent delivers such notice to the Relevant Clearing System, and the Issuer will pay the Noteholders a Cash Settlement Amount on the Cash Settlement Date in full and final satisfaction of its obligations in respect of the Undeliverable Obligations.
- 2.4 If Delivery is partially Illegal or Impossible, the Issuer may, for each Noteholder, Deliver Specified Deliverable Obligations and pay a Cash Settlement Amount. The Issuer is not obliged to ensure that each Noteholder receives the same type and proportion of Deliverable Obligations and the same proportion of Deliverable Obligations and Cash Settlement Amount as each other Noteholder.
- 2.5 If clause 2.1 or clause 2.3 of this Part 1.I applies, the Issuer may arrange that all settlements hereunder be made outside the Relevant Clearing System in the manner described in clause 1.5 above provided that the Issuer receives transfer instructions in terms that are satisfactory to the Issuer to allow for such settlements.

*If American Settlement is specified in the applicable Final Terms and clause 2.1 or clause 2.3 of this Part 1.I applies, the following clause 2.6 shall apply:*

- 2.6 Interest Period means each period from and including an Interest Payment Date to but excluding the next Interest Payment Date; provided however that the first Interest Period begins on the Interest Commencement Date (inclusive) and the last Interest Period remains subject to the provisions of this Part 1.

*If Accrual of Interest is specified as Applicable in the related Final Terms:* The last Interest Period will be the period from and including the Interest Payment Date immediately preceding the Credit Event Determination Date (or from and including the Interest Commencement Date in the case of a Credit Event occurring before the first Interest Payment Date) to but excluding the Credit Event Determination Date and the last Interest Payment Date will be the Cash Settlement Date. No interest shall accrue nor be payable from and including the Credit Event Determination Date to the Cash Settlement Date.

*If (i) Accrual of Interest is specified as Applicable and (ii) Repudiation /Moratorium or Grace Period Extension are specified as Applicable in the related Final Terms:* The last Interest Period will be the period from and including the Interest Payment Date immediately preceding the Credit Event Determination Date (or from and including the Interest Commencement Date in the case of a Credit Event occurring before the first Interest Payment Date) to but excluding the earlier of (a) the Credit Event Determination Date and (b) the Scheduled Maturity Date. In such event, the last Interest Payment Date will be the Cash Settlement Date. Provided that, if (i) the Credit Event that is the subject of the Credit Event Notice is a Repudiation/Moratorium that occurs after the fourth Business Day prior to the Scheduled Maturity Date, (ii) the Potential Repudiation/Moratorium with respect to such Repudiation/Moratorium occurs on or prior to the fourth Business Day prior to the Scheduled Maturity Date and (iii) the Repudiation/Moratorium Extension Condition is satisfied, in which case, the last Interest Payment Date is the Scheduled Maturity Date. Provided further that, if (i) the Credit Event that is the subject of the Credit Event Notice is a Failure to Pay that occurs after the fourth Business Day prior to the Scheduled Maturity Date and (ii) the Potential Failure to Pay with respect to such Failure to Pay occurs on or prior to the fourth Business Day prior to the Scheduled Maturity Date, the last Interest Payment Date shall be the Scheduled Maturity Date.

No interest shall accrue nor be payable from and including the Credit Event Determination Date to the Cash Settlement Date. In the event the Maturity Date falls after the Scheduled Maturity Date, no interest will be payable from and including the Scheduled Maturity Date to the Maturity Date.

*If Accrual of Interest is specified as Not Applicable in the related Final Terms:* The last Interest Period will be the Interest Period (if any) ending on the Interest Payment Date immediately preceding the Credit Event Determination Date. No interest shall accrue nor be payable from and including the Interest Payment Date preceding the Credit Event Determination Date (or the Interest Commencement Date in case of a Credit Event occurring before the first Interest Payment Date) to the Cash Settlement Date.

*If (i) Accrual of Interest is specified as Not Applicable and (ii) Repudiation /Moratorium or Grace Period Extension are specified as Applicable in the related Final Terms:* The last Interest Period will be the Interest Period (if any) ending on the earlier of (a) the Interest Payment Date immediately preceding the Credit Event Determination Date and (b) the Scheduled Maturity Date. No interest shall accrue nor be payable from and including the Interest Payment Date preceding the Credit Event Determination Date (or the Interest Commencement Date in case of a Credit Event occurring before the first Interest Payment Date) to the Cash Settlement Date. In the event the Maturity Date falls after the Scheduled Maturity Date, no interest will be payable from and including the Scheduled Maturity Date to the Maturity Date.

*If Accrual of Interest is specified as Applicable in the related Final Terms and there is only one Interest Period :* The Interest Period will be the period from and including the Interest Commencement Date to but excluding the Credit Event Determination Date and the Interest Payment Date will be the Cash Settlement Date. No interest shall accrue nor be payable from and including the Credit Event Determination Date to the Cash Settlement Date.

*If (i) Accrual of Interest is specified as Applicable and (ii) Repudiation /Moratorium or Grace Period Extension are specified as Applicable in the related Final Terms and there is only one Interest Period:* The Interest Period will be the period from and including the Interest Commencement Date to but excluding the earlier of (a) the Credit Event Determination Date and (b) the Scheduled Maturity Date.

In such event, the last Interest Payment Date will be the Cash Settlement Date. Provided that, if (i) the Credit Event that is the subject of the Credit Event Notice is a Repudiation/Moratorium that occurs after the fourth Business Day prior to the Scheduled Maturity Date, (ii) the Potential Repudiation/Moratorium with respect to such Repudiation/Moratorium occurs on or prior to the fourth Business Day prior to the Scheduled Maturity Date and (iii) the Repudiation/Moratorium Extension Condition is satisfied, in which case, the last Interest Payment Date is the Scheduled Maturity Date.

No interest shall accrue nor be payable from and including the Credit Event Determination Date to the Cash Settlement Date. In the event the Maturity Date falls after the Scheduled Maturity Date, no interest will be payable from and including the Scheduled Maturity Date to the Maturity Date.

*If Accrual of Interest is specified as Not Applicable in the related Final Terms and there is only one Interest Period:* No interest shall accrue nor be payable in respect of the Notes.

For the avoidance of doubt, should a Credit Event Determination Date occur within an Interest Period less than four Business Days prior to the relevant Interest Payment Date and the Issuer's payment instructions have already been given in respect of interest payable with respect to such Interest Period, then the Issuer shall be authorised to deduct from the Cash Settlement Amount the amount of overpaid interest, such deduction being determined by the Calculation Agent in its sole and absolute discretion acting in a commercially reasonable manner.

## **II. If the Settlement Method specified in the applicable Final Terms is Cash Settlement:**

If a Credit Event has occurred, as determined by the Calculation Agent, in the period from and including the Launch Date to and including the Last Credit Event Occurrence Date and a Credit Event Notice and, if applicable a Notice of Publicly Available Information, are delivered during the Notice Delivery Period by or on behalf of the Issuer to the Noteholders, then the Issuer will no longer be liable for the payment of the Final Redemption Amount on the Scheduled Maturity Date or on the Maturity Date, as the case may be, and will, in full and final satisfaction of its obligations hereunder in respect of the redemption of each Note, pay or procure payment of the Cash Settlement Amount on the Cash Settlement Date. Such Cash Settlement Amount will be based on the Final Value resulting from either (i) a Settlement Protocol or (ii) valuation of the Selected

Obligations, each as provided for in this Credit Technical Annex. The Selected Obligations, the Cash Settlement Amount and the Cash Settlement Date shall be notified to the Noteholders in the Final Valuation Notice no later than the seventh Business Day following (i) the Credit Valuation Date or, (ii) if the Calculation Agent is unable to determine the Final Value on the Credit Valuation Date, such later date within the fifteen Business Days period following such Credit Valuation Date on which the Calculation Agent determines the Final Value.

For the avoidance of doubt, under no circumstances will the Final Value be determined later than the 120th Business Day following the corresponding Credit Event Determination Date.

*If American Settlement is specified in the applicable Final Terms:*

Interest Period means each period from and including an Interest Payment Date to but excluding the next Interest Payment Date; provided however that the first Interest Period begins on the Interest Commencement Date (inclusive) and the last Interest Period remains subject to the provisions of this Part 1.

*If Accrual of Interest is specified as Applicable in the related Final Terms:* The last Interest Period will be the period from and including the Interest Payment Date immediately preceding the Credit Event Determination Date (or from and including the Interest Commencement Date in the case of a Credit Event occurring before the first Interest Payment Date) to but excluding the Credit Event Determination Date, and the last Interest Payment Date will be the Cash Settlement Date. No interest shall accrue nor be payable from and including the Credit Event Determination Date to the Cash Settlement Date.

*If (i) Accrual of Interest is specified as Applicable and (ii) Repudiation /Moratorium or Grace Period Extension are specified as Applicable in the related Final Terms:* The last Interest Period will be the period from and including the Interest Payment Date immediately preceding the Credit Event Determination Date (or from and including the Interest Commencement Date in the case of a Credit Event occurring before the first Interest Payment Date) to but excluding the earlier of (a) the Credit Event Determination Date and (b) the Scheduled Maturity Date.

In such event, the last Interest Payment Date will be the Cash Settlement Date. Provided that, if (i) the Credit Event that is the subject of the Credit Event Notice is a Repudiation/Moratorium that occurs after the fourth Business Day prior to the Scheduled Maturity Date, (ii) the Potential Repudiation/Moratorium with respect to such Repudiation/Moratorium occurs on or prior to the fourth Business Day prior to the Scheduled Maturity Date and (iii) the Repudiation/Moratorium Extension Condition is satisfied, in which case, the last Interest Payment Date is the Scheduled Maturity Date. Provided further that, if (i) the Credit Event that is the subject of the Credit Event Notice is a Failure to Pay that occurs after the fourth Business Day prior to the Scheduled Maturity Date and (ii) the Potential Failure to Pay with respect to such Failure to Pay occurs on or prior to the fourth Business Day prior to the Scheduled Maturity Date, the last Interest Payment Date shall be the Scheduled Maturity Date.

No interest shall accrue nor be payable from and including the Credit Event Determination Date to the Cash Settlement Date. In the event the Maturity Date falls after the Scheduled Maturity Date, no interest will be payable from and including the Scheduled Maturity Date to the Maturity Date.

*If Accrual of Interest is specified as Not Applicable in the related Final Terms:* The last Interest Period will be the Interest Period (if any) ending on the Interest Payment Date immediately preceding the Credit Event Determination Date. No interest shall accrue nor be payable from and including the Interest Payment Date preceding the Credit Event Determination Date (or the Interest Commencement Date in case of a Credit Event occurring before the first Interest Payment Date) to the Cash Settlement Date.

*If (i) Accrual of Interest is specified as Not Applicable and (ii) Repudiation /Moratorium or Grace Period Extension are specified as Applicable in the related Final Terms:* The last Interest Period will be the Interest Period (if any) ending on the earlier of (a) the Interest Payment Date immediately preceding the Credit Event Determination Date and (b) the Scheduled Maturity Date. No interest shall accrue nor be payable from and including the Interest Payment Date preceding the Credit Event Determination Date (or the Interest Commencement Date in case of a Credit Event occurring before the first Interest Payment Date) to the Cash Settlement Date. In the event the Maturity Date falls after the Scheduled

Maturity Date, no interest will be payable from and including the Scheduled Maturity Date to the Maturity Date.

*If Accrual of Interest is specified as Applicable in the related Final Terms and there is only one Interest Period:* The Interest Period will be the period from and including the Interest Commencement Date to but excluding the Credit Event Determination Date, and the Interest Payment Date will be the Cash Settlement Date. No interest shall accrue nor be payable from and including the Credit Event Determination Date to the Cash Settlement Date.

*If (i) Accrual of Interest is specified as Applicable and (ii) Repudiation /Moratorium or Grace Period Extension are specified as Applicable in the related Final Terms and there is only one Interest Period:* The Interest Period will be the period from and including the Interest Commencement Date to but excluding the earlier of (a) the Credit Event Determination Date and (b) the Scheduled Maturity Date.

In such event, the last Interest Payment Date will be the Cash Settlement Date. Provided that, if (i) the Credit Event that is the subject of the Credit Event Notice is a Repudiation/Moratorium that occurs after the fourth Business Day prior to the Scheduled Maturity Date, (ii) the Potential Repudiation/Moratorium with respect to such Repudiation/Moratorium occurs on or prior to the fourth Business Day prior to the Scheduled Maturity Date and (iii) the Repudiation/Moratorium Extension Condition is satisfied, in which case, the last Interest Payment Date is the Scheduled Maturity Date.

No interest shall accrue nor be payable from and including the Credit Event Determination Date to the Cash Settlement Date. In the event the Maturity Date falls after the Scheduled Maturity Date, no interest will be payable from and including the Scheduled Maturity Date to the Maturity Date.

*If Accrual of Interest is specified as Not Applicable in the related Final Terms and there is only one Interest Period:* No interest shall accrue nor be payable in respect of the Notes.

For the avoidance of doubt, should a Credit Event Determination Date occur within an Interest Period less than four Business Days prior to the relevant Interest Payment Date and the Issuer's payment instructions have already been given in respect of interest payable with respect to such Interest Period, then the Issuer shall be authorised to deduct from the Cash Settlement Amount the amount of overpaid interest, such deduction being determined by the Calculation Agent in its sole and absolute discretion acting in a commercially reasonable manner.

### III. Credit Event Notice after Restructuring

Upon the occurrence of a Restructuring in the period from and including the Launch Date to and including the Last Credit Event Occurrence Date:

- *if American Settlement is specified in the applicable Final Terms:*

- (a) the Calculation Agent may deliver a Credit Event Notice in respect of an amount (the **Partial Redemption Amount**) that is less than the Nominal Amount outstanding of each Note immediately prior to the delivery of such Credit Event Notice. In such circumstances the provisions of clause I or clause II to this Part 1 shall be deemed to apply to the Partial Redemption Amount only and each such Note shall be redeemed in part (such redeemed part being equal to the Partial Redemption Amount);
- (b) for the avoidance of doubt (i) the Nominal Amount of each such Note not so redeemed in part shall remain outstanding and, if applicable, interest shall accrue on the Nominal Amount outstanding of such Note as provided in the applicable Final Terms (adjusted in such manner as the Calculation Agent in its sole and absolute discretion determines to be appropriate) and (ii) the provisions of clause I or clause II to this Part 1 shall apply to such Nominal Amount outstanding of such Note in the event that subsequent Credit Event Notices are delivered in respect of a Reference Entity; and



- (c) on redemption of part of each Note the relevant Note or, if the Notes are represented by a Global Note, such Global Note, shall be endorsed to reflect such part redemption.

For the avoidance of doubt, the outstanding Nominal Amount of each Note in respect of which no Credit Event Notice has been delivered during the Notice Delivery Period (and, if applicable, no Potential Repudiation/Moratorium or Potential Failure to Pay has occurred on or prior to the fourth Business Day immediately preceding the Scheduled Maturity Date), will be redeemed on the Scheduled Maturity Date.

- *if European Settlement is specified in the applicable Final Terms:*

- (a) the Calculation Agent may deliver a Credit Event Notice in respect of an amount (the **Partial Redemption Amount**) that is less than the Nominal Amount outstanding of each Note immediately prior to the delivery of such Credit Event Notice. In such circumstances the provisions of clause I or clause II to this Part 1 shall be deemed to apply to the Partial Redemption Amount; and
- (b) for the avoidance of doubt the provisions of clause I or clause II to this Part 1 shall apply to such Nominal Amount outstanding of such Note in the event that subsequent Credit Event Notices are delivered in respect of a Reference Entity.

*If Multiple Successor is specified as Applicable in the related Final Terms the following clause IV) shall apply:*

#### **IV. Multiple Successors**

Where, pursuant to the definition of **Successor** (see attached Part 2 of this Credit Technical Annex), more than one Successor has been identified, each such Successor (a **Multiple Successor**) shall be a Reference Entity for the purposes of the Conditions, but only in respect of a principal amount of each Note equal to the Nominal Amount divided by the number of Multiple Successors to such Reference Entity (the **Multiple Successor Notional Amount**) as determined by the Calculation Agent. Where Multiple Successors to such Reference Entity (each, a **Sub-Multiple Successor**) have been identified in respect of a Reference Entity (an **Original Multiple Successor**) that is itself a Multiple Successor, each such Sub-Multiple Successor shall be a Reference Entity for the purposes of the Conditions, but the Multiple Successor Notional Amount in respect of a Sub-Multiple Successor shall be equal to the Multiple Successor Notional Amount in respect of such Original Multiple Successor divided by the number of Sub-Multiple Successors to such Original Multiple Successor. Following the delivery of a Credit Event Notice and, if applicable a Notice of Publicly Available Information, in respect of a Multiple Successor, the Notes will not be redeemed in whole but an amount shall be deliverable or, as the case may be, payable in respect of each Note (an **Instalment Amount**) which amount shall be determined in the same manner, *mutatis mutandis*, as the Physical Delivery Amount or Cash Settlement Amount that would otherwise have been determined in respect of such a Credit Event in relation to the original Reference Entity, except that it shall be in respect of a principal amount of each Note equal to the relevant Multiple Successor Notional Amount only. The date of delivery or payment, as the case may be, of any such Instalment Amount (an **Instalment Date**) shall be determined in the same manner, *mutatis mutandis*, as the Physical Settlement Date or Cash Settlement Date that would otherwise have been determined in respect of such a Credit Event in relation to the original Reference Entity. More than one Instalment Amount may be delivered or payable on the same day in respect of different Multiple Successors, but not more than one Credit Event Notice may be delivered in relation to a single Multiple Successor unless a Restructuring occurs in relation to a Multiple Successor, in which case the provisions of clause III) of this Part 1 will apply in respect of each such Multiple Successor. Upon the determination by the Calculation Agent of the identity of Multiple Successors, the Calculation Agent shall determine the modifications required to be made to the Conditions and any other related documents, to preserve substantially the economic effect for a Noteholder of a holding of the Notes and the Issuer shall use its reasonable endeavours to effect such modifications.

*If American Settlement is specified as Applicable in the related Final Terms:*

Following delivery or payment of an Instalment Amount in respect of a Credit Event relating to a Multiple Successor, the outstanding Nominal Amount of each Note shall be correspondingly reduced by the proportion of such principal amount so redeemed and, if applicable, interest on each Note shall accrue on the reduced Nominal Amount of each Note from the date on which it would otherwise have ceased to accrue following delivery of a Credit Event Notice and, if applicable a Notice of Publicly Available Information in relation to the original Reference Entity.

#### **V. Notification of Potential Failure to Pay**

In the case of the occurrence of a Potential Failure to Pay, as determined by the Issuer in its sole and absolute discretion, the Issuer, or any entity acting on its behalf, shall use its reasonable endeavours to notify the Noteholders as soon as reasonably practical of such occurrence, pursuant to Condition 15 of the Terms and Conditions of the English Law Notes and Uncertificated Notes and 14 of the Terms and Conditions of the French Law Notes.

## PART 2 - DEFINITIONS

**Accreted Amount** means, with respect to an Accreting Obligation, an amount, determined by the Calculation Agent, to be equal to (a) the sum of (i) the original issue price of such obligation and (ii) the portion of the amount payable at maturity that has accreted in accordance with the terms of the obligation (or as otherwise described below), less (b) any cash payments made by the obligor thereunder that, under the terms of such obligation, reduce the amount payable at maturity (unless such cash payments have been accounted for in clause (a)(ii) above), in each case calculated as of the earlier of (A) the date on which any event occurs that has the effect of fixing the amount of a claim in respect of principal and (B) the [Physical Settlement Date or]\*\* applicable Credit Valuation Date[, as the case may be]\*. If an Accreting Obligation is expressed to accrete pursuant to a straight-line method or if such Obligation's yield to maturity is not specified in, nor implied from, the terms of such Obligation, then for purposes of (a)(ii) above, the Accreted Amount shall be calculated using a rate equal to the yield to maturity of such Obligation. Such yield shall be determined on a semi-annual bond equivalent basis using the original issue price of such Obligation, and shall be determined as of the earlier of (A) the date on which any event occurs that has the effect of fixing the amount of a claim in respect of principal and (B) the [Physical Settlement Date or]\* applicable Credit Valuation Date [, as the case may be]\*. The Accreted Amount shall exclude, in the case of an Exchangeable Obligation, any amount that may be payable under the terms of such obligation in respect of the value of the Equity Securities for which such obligation is exchangeable.

**Accreting Obligation** means any obligation (including, without limitation, a Convertible Obligation or an Exchangeable Obligation), the terms of which expressly provide for an amount payable upon acceleration equal to the original issue price (whether or not equal to the face amount thereof) plus an additional amount or amounts (on account of original issue discount or other accruals of interest or principal not payable on a periodic basis) that will or may accrete, whether or not (a) payment of such additional amounts is subject to a contingency or determined by reference to a formula or index, or (b) periodic cash interest is also payable. With respect to any Accreting Obligation, **outstanding principal balance** means the Accreted Amount thereof.

**Affiliate** means, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose, **control** of any entity or person means ownership of a majority of the voting power of the entity or person.

**Assignable Loan** means a Loan that is capable of being assigned or novated to, at a minimum, commercial banks or financial institutions (irrespective of their jurisdiction of organisation) that are not then a lender or a member of the relevant lending syndicate, without the consent of the relevant Reference Entity or the guarantor, if any, of such Loan (or the consent of the applicable borrower if such Reference Entity is guaranteeing such Loan) or any agent. Unless otherwise specified in the applicable Final Terms, if the [Deliverable]\*\*[Selected]\* Obligation Characteristic Assignable Loan is specified as Applicable in the related Final Terms, such Final Terms shall be construed as though such [Deliverable]\*\*[Selected]\* Obligation Characteristic had been specified as a [Deliverable]\*\*[Selected]\* Obligation Characteristic only with respect to Loans and shall only be relevant if Loans are covered by the specified [Deliverable]\*\*[Selected]\* Obligation Category).

**Bankruptcy** means a Reference Entity:

- (i) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (ii) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due;
- (iii) makes a general assignment, arrangement or composition with or for the benefit of its creditors;
- (iv) institutes or has instituted against it a proceeding seeking a judgement of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (A) results in a judgement of insolvency or bankruptcy or the entry of an order for relief or the making of an order for

its winding-up or liquidation or (B) is not dismissed, discharged, stayed or restrained in each case within thirty calendar days of the institution or presentation thereof;

- (v) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (vi) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
- (vii) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within thirty calendar days thereafter; or
- (viii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (i) to (vii) (inclusive) of this definition of Bankruptcy.

**Best Available Information** means:

- (i) in the case of a Reference Entity which files information with its primary securities regulator or primary stock exchange that includes unconsolidated, pro forma financial information which assumes that the relevant Succession Event has occurred or which provides such information to its shareholders, creditors or other persons whose approval of the Succession Event is required, that unconsolidated, pro forma financial information and, if provided subsequently to the provision of unconsolidated, pro forma financial information but before the Calculation Agent makes its determination of the relevant Successor(s), other relevant information that is contained in any written communication provided by the Reference Entity to its primary securities regulator, primary stock exchange, shareholders, creditors or other persons whose approval of the Succession Event is required; or
- (ii) in the case of a Reference Entity which does not file with its primary securities regulators or primary stock exchange, and which does not provide to shareholders, creditors or other persons whose approval of the Succession Event is required, the information contemplated in (i) above, the best publicly available information at the disposal of the Calculation Agent to allow it to make a determination of the relevant Successor(s).

Information which is made available more than fourteen calendar days after the legally effective date of the Succession Event shall not constitute Best Available Information.

**Bond** means any obligation of a type included in the Borrowed Money Obligation Category that is in the form of, or represented by, a bond, note (other than notes delivered pursuant to Loans), certificated debt security or other debt security and shall not include any other type of Borrowed Money.

**Bond or Loan** means any obligation that is either a Bond or a Loan.

**Borrowed Money** means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding, unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit).

**Business Day** means, the days specified in the applicable Final Terms [and solely for the purposes of physical settlement, if applicable, a day in any other jurisdiction in which a bank must be open in order to effect settlement of any Deliverable Obligations being Delivered]\*\*.

**Calculation Agent** means Société Générale. The calculations and determinations of the Calculation Agent will be conclusive and binding upon the Issuer and the Noteholders in the absence of manifest error.

**Cash Settlement Amount means:**

- *If the Settlement Method specified in the applicable Final Terms is Physical Settlement:* in respect of each Note for which physical settlement is partially or totally Illegal or Impossible, an amount equal to the sum of each Cash Settlement Amount per Undeliverable Obligation; or
- *if the Settlement Method specified in the applicable Final Terms is Cash Settlement:* in respect of each Note, an amount equal to the product of the Final Value multiplied by the Nominal Amount of each Note.

**Cash Settlement Amount per Undeliverable Obligation** means, in respect of one Note and an Undeliverable Obligation, the product of (i) the outstanding principal balance of such Undeliverable Obligation and (ii) the Market Value of such Undeliverable Obligation, divided by the number of Notes in respect of which there are such Undeliverable Obligation.

**Cash Settlement Date means:**

- *if American Settlement is specified in the applicable Final Terms:* the day that is four Business Days following (i) the Credit Valuation Date or, (ii) if the Calculation Agent is unable to determine the  $[\text{Market Value}]^{**}[\text{Final Value}]^{*}$  on the Credit Valuation Date, such late date within the 15 Business Days' period following such Credit Valuation Date on which the Calculation Agent determines the  $[\text{Market Value}]^{**}[\text{Final Value}]^{*}$ ; or
- *if European Settlement is specified in the applicable Final Terms:* (a) the later of the Scheduled Maturity Date and (b) the day that is four Business Days following (i) the Credit Valuation Date or, (ii) if the Calculation Agent is unable to determine the  $[\text{Market Value}]^{**}[\text{Final Value}]^{*}$  on the Credit Valuation Date, such late date within the 15 Business Days' period following such Credit Valuation Date on which the Calculation Agent determines the  $[\text{Market Value}]^{**}[\text{Final Value}]^{*}$ .

**Conditionally Transferable Obligation means:**

- *If the Settlement Method specified in the applicable Final Terms is Physical Settlement:* a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Modified Eligible Transferees without the consent of any person being required, in the case of any Deliverable Obligation other than Bonds, provided, however, that a Deliverable Obligation other than Bonds will be a Conditionally Transferable Obligation notwithstanding that consent of the Reference Entity or the guarantor, if any, of a Deliverable Obligation other than Bonds (or the consent of the relevant obligor if a Reference Entity is guaranteeing such Deliverable Obligation) or any agent is required for such novation, assignment or transfer so long as the terms of such Deliverable Obligation provide that such consent may not be unreasonably withheld or delayed. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation shall not be considered to be a requirement for consent for purposes of this the definition of Conditionally Transferable Obligation.
- (i) Where Modified Restructuring Maturity Limitation applies and a Deliverable Obligation is a Conditionally Transferable Obligation with respect to which consent is required to novate, assign or transfer, then if the requisite consent is refused (whether or not a reason is given for such refusal and, where a reason is given for such refusal, regardless of that reason), or is not received by the Physical Settlement Date (in which case it shall be deemed to have been refused), the cash settlement provisions described in Part 1 of this Credit Technical Annex shall apply.
- (ii) For purposes of determining whether a Deliverable Obligation satisfies the requirements of the definition of Conditionally Transferable Obligation, such determination shall be made as of the Physical Settlement Date for the Deliverable Obligation, taking into account only the terms of the Deliverable Obligation and any related transfer or consent documents which have been obtained by the Calculation Agent.
- *If the Settlement Method specified in the applicable Final Terms is Cash Settlement:* a Selected Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Modified Eligible Transferees without the consent of any person being required, in the

case of any Selected Obligation other than Bonds, provided, however, that a Selected Obligation other than Bonds will be a Conditionally Transferable Obligation notwithstanding that consent of the Reference Entity or the guarantor, if any, of a Selected Obligation other than Bonds (or the consent of the relevant obligor if a Reference Entity is guaranteeing such Selected Obligation) or any agent is required for such novation, assignment or transfer so long as the terms of such Selected Obligation provide that such consent may not be unreasonably withheld or delayed. Any requirement that notification of novation, assignment or transfer of a Selected Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Selected Obligation shall not be considered to be a requirement for consent for purposes of this the definition of Conditionally Transferable Obligation.

For purposes of determining whether a Selected Obligation satisfies the requirements of the definition of Conditionally Transferable Obligation, such determination shall be made as of the day on which the Final Value for the Selected Obligation is determined by the Calculation Agent, taking into account only the terms of the Selected Obligation and any related transfer or consent documents which have been obtained by the Calculation Agent.

**Consent Required Loan** means a Loan that is capable of being assigned or novated with the consent of the relevant Reference Entity or the guarantor, if any, of such Loan (or the consent of the relevant borrower if the relevant Reference Entity is guaranteeing such Loan) or any agent. Unless otherwise specified in the applicable Final Terms, if the [Deliverable]\*\*[Selected]\* Obligation Characteristic Assignable Loan is specified as Applicable in the related Final Terms, such Final Terms shall be construed as though such [Deliverable]\*\*[Selected]\* Obligation Characteristic had been specified as a [Deliverable]\*\*[Selected]\* Obligation Characteristic only with respect to Loans and shall only be relevant if Loans are covered by the specified [Deliverable]\*\*[Selected]\* Obligation Category).

**Convertible Obligation** means any obligation that is convertible, in whole or in part, into Equity Securities solely at the option of holders of such obligation or a trustee or similar agent acting for the benefit only of holders of such obligation (or the cash equivalent thereof, whether the cash settlement option is that of the issuer or of (or for the benefit of) the holders of such obligation).

**Credit Event** means, with respect to a Reference Entity as determined by the Calculation Agent, the occurrence during the period from and including the Launch Date up to and including the Last Credit Event Occurrence Date of one or more of Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium or Restructuring, as specified in the applicable Final Terms.

If an occurrence would otherwise constitute a Credit Event, such occurrence will constitute a Credit Event whether or not such occurrence arises directly or indirectly from, or is subject to a defence based upon:

- (i) any lack or alleged lack of authority or capacity of a Reference Entity to enter into any Obligation or, as applicable, an Underlying Obligor to enter into any Underlying Obligation;
- (ii) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation or, as applicable, any Underlying Obligation, however described;
- (iii) any applicable law, order, regulation, decree or notice, however described, or the promulgation of, or any change in, the interpretation by any court, tribunal, regulatory authority or similar administrative or judicial body with competent or apparent jurisdiction of any applicable law, order, regulation, decree or notice, however described; or
- (iv) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.

A Credit Event need not be continuing on the Credit Event Determination Date.

**Credit Event Determination Date** means the day on which both the Credit Event Notice and, if applicable, the Notice of Publicly Available Information are delivered to the [Relevant Clearing System]\*\*[Noteholders]\*.

**Credit Event Notice** means an irrevocable notice that is effective during the Notice Delivery Period delivered by or on behalf of the Issuer to the Noteholders informing the Noteholders that a Credit Event has occurred. A

Credit Event Notice must contain a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred. The Credit Event that is the subject of a Credit Event Notice need not be continuing on the Credit Event Determination Date. If Notice of Publicly Available Information is specified as Applicable in the related Final Terms and a Credit Event Notice contains Publicly Available Information, such Credit Event Notice will also be deemed to be a Notice of Publicly Available Information.

**Credit Valuation Date** means:

- *If the Settlement Method specified in the applicable Final Terms is Physical Settlement:* the date that is two Business Days after the Latest Permissible Physical Settlement Date, subject, as the case may be, to clause 2.3 of Part 1.I of this Credit Technical Annex; or
- *If the Settlement Method specified in the applicable Final Terms is Cash Settlement:* (i) a date that the Calculation Agent will select in its own discretion that is on or before the 120th Business Day following the Credit Event Determination Date, or (ii) if the Final Value is to be determined pursuant to a Settlement Protocol, the auction date or any other date specified by such Settlement Protocol.

**Default Requirement** means, unless specified otherwise in the applicable Final Terms, USD 10,000,000 or its equivalent in the Obligation Currency as of the occurrence of the relevant Credit Event.

**Deliver** means to deliver, novate, transfer (including in the case of a Qualifying Guarantee, transfer of the benefit of the Qualifying Guarantee), assign or sell, as appropriate, in the manner customary for the settlement of the applicable Specified Deliverable Obligations (which shall include executing all necessary documentation and taking any other necessary actions), in order to convey all right, title and interest in the Specified Deliverable Obligations to the relevant Noteholder or Noteholders free and clear of any and all liens, charges, claims and encumbrances (including, without limitation, any counterclaim, defence (other than a counterclaim or defence based on the factors set out in paragraph x(a)-(d) of the definition of Deliverable Obligation below) or right of set-off by or of the Reference Entity or, as applicable, an Underlying Obligor); provided that to the extent that the Deliverable Obligations consist of Qualifying Guarantees, Deliver means to Deliver both the Qualifying Guarantee and the Underlying Obligation. **Delivery** and **Delivered** will be construed accordingly. In the case of a Loan, Delivery shall be effected using documentation substantially in the form of the documentation customarily used in the relevant market for Delivery of such Loan at that time.

**Deliverable Obligation** means, subject to, if specified as Applicable in the related Final Terms, the provisions contained in the definition of Restructuring Maturity Limitation and Fully Transferable Obligation or (the provisions contained in the Definition of Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation, any of:

- (i) the Reference Obligation (if any);
- (ii) any obligation of a Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee, or if All Guarantees is specified as Applicable in the related Final Terms, as provider of any Qualifying Guarantee), described by the Deliverable Obligation Category specified in the applicable Final Terms and having each of the Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms that (i) is payable in an amount equal to its outstanding principal balance (excluding accrued interest) or Due and Payable Amount, as applicable, (ii) in the case of a Qualifying Guarantee other than a Qualifying Affiliate Guarantee, is capable, at the Physical Settlement Date, of immediate assertion or demand by or on behalf of the holder or holders against the Reference Entity for an amount at least equal to the outstanding principal balance (excluding accrued interest) or Due and Payable Amount, as applicable, being Delivered apart from the giving of any notice of non-payment or similar procedural requirement, it being understood that acceleration of an Underlying Obligation shall not be considered a procedural requirement and (iii) that is not subject to a right of set-off by or of a Reference Entity or any applicable Underlying Obligor or any counterclaim or defence, other than a counterclaim or defence based on the following factors:
  - (a) any lack or alleged lack of authority or capacity of a Reference Entity to enter into any Deliverable Obligations;
  - (b) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Deliverable Obligations, however described;

- (c) any applicable law, order, regulation, decree or notice, however described, or the promulgation of, or any change in, the interpretation by any court, tribunal, regulatory authority or similar administrative or judicial body with competent or apparent jurisdiction of any applicable law, order, regulation, decree or notice, however described; or
  - (d) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.
- (iii) solely in relation to a Restructuring applicable to a Sovereign Reference Entity, any Sovereign Restructured Deliverable Obligation that (i) is payable in an amount equal to its outstanding principal balance (excluding accrued interest), or Due and Payable Amount, as applicable, (ii) is not subject to any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in subparagraph (x)(a)-(d) above or right of set off by or of the Reference Entity or, as applicable, an Underlying Obligor and (iii) in the case of a Qualifying Guarantee other than a Qualifying Affiliate Guarantee, is capable, at the Physical Settlement Date, of immediate assertion or demand by or on behalf of the holder or holders against the Reference Entity for an amount at least equal to the outstanding principal balance (excluding accrued interest), or Due and Payable Amount, as applicable, being Delivered apart from the giving of any notice of non-payment or similar procedural requirement, it being understood that acceleration of an Underlying Obligation shall not be considered a procedural requirement;
- (iv) any other obligation of a Reference Entity specified as such in the related Final Terms.
- *If the Notes described in the applicable Final Terms are denominated in Euros:* where a Specified Deliverable Obligation is denominated in a currency other than Euro, the Calculation Agent will determine the Euro equivalent of such amount by reference to the MEAN price as displayed on Reuters Page ECB37 as of London 12:00 pm on the date on which the Notice of Physical Settlement is effective (or, if the Notice of Physical Settlement is changed on or prior to the Physical Settlement Date, the date notice of the last such change is effective) or, if the cash settlement definitions apply, on the Credit Valuation Date, or in such other commercially reasonable manner as it will determine in its sole discretion.
  - *If the Notes described in the applicable Final Terms are denominated in United States Dollars:* where a Specified Deliverable Obligation is denominated in a currency other than United States Dollar, the Calculation Agent will determine the United States Dollar equivalent of such amount by reference to the Federal Reserve Bank of New York 10.00 a.m. mid point rate as displayed on Reuters Page FEDSPOT on the date on which the Notice of Physical Settlement is effective (or, if the Notice of Physical Settlement is changed on or prior to the Physical Settlement Date, the date notice of the last such change is effective) or, if the cash settlement definitions apply, on the Credit Valuation Date, or in such other commercially reasonable manner as it will determine in its sole discretion.
  - *If the Notes described in the applicable Final Terms are denominated in Hong Kong Dollars:* where a Specified Deliverable Obligation is denominated in a currency other than Hong Kong Dollar, the Calculation Agent will determine the Hong Kong Dollar equivalent of such amount by reference to the Federal Reserve Bank of New York 10.00 a.m. mid point rate as displayed on Reuters Page FEDSPOT on the date on which the Notice of Physical Settlement is effective (or, if the Notice of Physical Settlement is changed on or prior to the Physical Settlement Date, the date notice of the last such change is effective) or, if the cash settlement definitions apply, on the Credit Valuation Date, or in such other commercially reasonable manner as it will determine in its sole discretion.

**Deliverable Obligation Category** means any one of Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan, as specified in the applicable Final Terms. In case of Reference Obligation Only, no Deliverable Obligation Characteristics shall be applicable.

**Deliverable Obligation Characteristics** means any one or more of Not Subordinated, Specified Currency, Not Domestic Currency, Not Domestic Law, Listed, Not Contingent, Not Domestic Issuance, Assignable Loan, Consent Required Loan, Transferable, Maximum Maturity, and Not Bearer, as specified in the applicable Final



Terms. If any of Payment, Borrowed Money, Loan or Bond or Loan is specified as Deliverable Obligation Category and more than one Assignable Loan, and Consent Required Loan are specified as Deliverable Obligation Characteristics, the Deliverable Obligation may include any Loan that satisfies any one of such Deliverable Obligation Characteristics specified and need not satisfy all such Deliverable Obligation Characteristics. For the purposes of application of the Deliverable Obligation Characteristics to an Underlying Obligation, references to the Reference Entity shall be deemed to refer to the Underlying Obligor.

**Domestic Currency** means the currency specified as such in the applicable Final Terms and any successor currency. If no currency is specified, the Domestic Currency shall be the lawful currency and any successor currency of (a) the relevant Reference Entity, if the Reference Entity is a Sovereign, or (b) the jurisdiction in which the relevant Reference Entity is organised, if the Reference Entity is not a Sovereign. In no event shall Domestic Currency include any successor currency if such successor currency is the lawful currency of any of Canada, Japan, Switzerland, the United Kingdom, the United States of America and the euro (or any successor currency to any such currency).

**Downstream Affiliate** means an entity, whose outstanding Voting Shares were, at the date of issuance of the Qualifying Guarantee, more than 50 percent owned, directly or indirectly, by the Reference Entity.

**Due and Payable Amount** means the amount that is due and payable under (and in accordance with the terms of) a Deliverable Obligation on the [Physical Settlement Date]\*\*[Credit Valuation Date]\*, whether by reason of acceleration, maturity, termination or otherwise (excluding sums in respect of default interest, indemnities, tax gross-ups and other similar amounts). When used in connection with Qualifying Guarantees, the term Due and Payable Amount is to be interpreted to be the then Due and Payable Amount of the Underlying Obligation which is supported by a Qualifying Guarantee.

**Eligible Transferee** means each of the following:

- (i) (A) any bank or other financial institution; (B) an insurance or reinsurance company; (C) a mutual fund, unit trust or similar collective investment vehicle (other than an entity specified in clause (iii) (A) below); and (D) a registered or licensed broker or dealer (other than a natural person or proprietorship); provided, however, in each case that such entity has total assets of at least USD 500,000,000;
- (ii) an Affiliate of an entity specified in the preceding clause (i);
- (iii) each of a corporation, partnership, proprietorship, organisation, trust or other entity: (A) that is an investment vehicle (including, without limitation, any hedge fund, issuer of collateralised debt obligations, commercial paper conduit or other special purpose vehicle) that (1) has total assets of at least USD 100,000,000 or (2) is one of a group of investment vehicles under common control or management having, in the aggregate, total assets of at least USD 100,000,000; (B) that has total assets of at least USD 500,000,000; or (C) the obligations of which under an agreement, contract or transaction are guaranteed or otherwise supported by a letter of credit or keepwell, support or other agreement by an entity described in clauses (i), (ii), (iii) (B) or (iv) of this definition; and
- (iv) a Sovereign, Sovereign Agency or Supranational Organisation.

All references in this definition of Eligible Transferee to USD include equivalent amounts in other currencies.

**Equity Securities** means (i) in the case of a Convertible Obligation, equity securities (including options and warrants) of the issuer of such obligation or depository receipts representing those equity securities of the issuer of such obligation together with any other property distributed to or made available to holders of those equity securities from time to time and (ii) in the case of an Exchangeable Obligation, equity securities (including options and warrants) of a person other than the issuer of such obligation or depository receipts representing those equity securities of a person other than the issuer of such obligation together with any other property distributed to or made available to holders of those equity securities from time to time.

**Exchangeable Obligation** means any obligation that is exchangeable, in whole or in part, for Equity Securities solely at the option of holders of such obligation or a trustee or similar agent acting for the benefit only of holders of such obligation (or the cash equivalent thereof, whether the cash settlement option is that of the issuer or of (or for the benefit of) the holders of such obligation). With respect to any Exchangeable Obligation that is

not an Accreting Obligation, **outstanding principal balance** shall exclude any amount that may be payable under the terms of such obligation in respect of the value of the Equity Securities for which such obligation is exchangeable.

**Failure to Pay** means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by a Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations, in accordance with the terms of such Obligations at the time of such failure.

**Final Price** means in respect of a Selected Obligation, a quotation (expressed as a percentage) of such Selected Obligation, obtained from Quotation Dealers in the manner provided below. The Calculation Agent will determine, based on the then current market practice, whether such quotations will include or exclude accrued but unpaid interest and all quotations will be obtained in accordance with this determination. The Calculation Agent will require each Quotation Dealer to provide quotations to the extent reasonably practicable at approximately 11.00 a.m. London time or 11.00 a.m. New York time, as the case may be.

- (i) If the Calculation Agent obtains more than three Full Quotations on the Credit Valuation Date, the Final Price will be the arithmetic mean of such Full Quotations, disregarding the Full Quotations with the highest and lowest values (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations will be disregarded).
- (ii) If the Calculation Agent is unable to obtain more than three Full Quotations, but obtains exactly three Full Quotations on the Credit Valuation Date, the Final Price will be the Full Quotation remaining after disregarding the highest and lowest Full Quotations (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations will be disregarded).
- (iii) If the Calculation Agent is unable to obtain three Full Quotations, but obtains exactly two Full Quotations on the Credit Valuation Date, the Final Price will be the arithmetic mean of such Full Quotations.
- (iv) If the Calculation Agent is unable to obtain two Full Quotations, but obtains a Weighted Average Quotation on the Credit Valuation Date, the Final Price will be such Weighted Average Quotation.
- (v) If the Calculation Agent obtains fewer than two Full Quotations and no Weighted Average Quotation on the Credit Valuation Date, then the Final Price will be an amount as determined by the Calculation Agent on the next Business Day on which the Calculation Agent obtains two or more Full Quotations or a Weighted Average Quotation. If the Calculation Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation on the same Business Day on or prior to the fifteenth Business Day following the Credit Valuation Date, the Final Price will be deemed to be zero.

**Final Value** means, in the Calculation Agent's sole and absolute discretion, either:

- (A) (i) the Final Price (expressed as a percentage) if there is only one Selected Obligation or (ii) the weighted average of the Final Prices of the Selected Obligations if the latter are a portfolio; or
- (B) If a Settlement Protocol is published that provides for the valuation of obligations of a Reference Entity in respect of which a Credit Event has occurred but no Cash Settlement Date has occurred, the final price determined, if any, under such protocol shall be used as the Final Value in respect of the relevant Reference Entity.

**Final Valuation Notice** means the notice delivered by or on behalf of the Issuer to the Noteholder, no later than the seventh Business Day following (i) the Credit Valuation Date or, (ii) if the Calculation Agent is unable to determine the Final Value on the Credit Valuation Date, such later date within the fifteen Business Days period following such Credit Valuation Date on which the Calculation Agent determines the Final Value, specifying:

- the Selected Obligations (with an outstanding principal balance, excluding accrued interest, equal to the Aggregate Nominal Amount);
- the Cash Settlement Amount; and
- the Cash Settlement Date.

**First-to-Default Reference Entity** means the first Reference Entity in respect of which a Credit Event occurs and a Credit Event Notice and, if applicable a Notice of Publicly Available Information, have been sent in accordance with the provisions of Part 1 of this Credit Technical Annex. If First-to-Default is specified as Applicable in the related Final Terms, the definitions of Obligation or [Deliverable Obligation]\*\* [Selected Obligation]\* shall be construed as though such definitions had been specified only with respect to the First-to-Default Reference Entity.

**Full Quotation** means each firm bid quotation obtained from a Quotation Dealer for an amount equal to the Quotation Amount. It is understood that a Full Quotation shall be based, with respect to any Accreting Obligation on the Accreted Amount thereof.

**Fully Transferable Obligation** means a [Deliverable]\*\* [Selected]\* Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Eligible Transferees without the consent of any person being required, in the case of any [Deliverable]\*\* [Selected]\* Obligation other than Bonds. Any requirement that notification of novation, assignment or transfer of a [Deliverable]\*\* [Selected]\* Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a [Deliverable]\*\* [Selected]\* Obligation shall not be considered to be a requirement for consent for purposes of this definition.

For purposes of determining whether a [Deliverable]\*\* [Selected]\* Obligation satisfies the requirements of the definition of Fully Transferable Obligation, such determination shall be made as of the [Physical Settlement Date]\*\* [Credit Valuation Date]\* for the [Deliverable]\*\* [Selected]\* Obligation, taking into account only the terms of the [Deliverable]\*\* [Selected]\* Obligation and any related transfer or consent documents which have been obtained by the Calculation Agent.

**Governmental Authority** means any *de facto* or *de jure* government (or any agency, instrumentality, ministry or department thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of a Reference Entity or of the jurisdiction of organisation of a Reference Entity.

**Grace Period** means:

- (i) subject to paragraphs (ii) and (iii), the applicable grace period with respect to payments under the relevant Obligation under the terms of such Obligation in effect as of the later of the Launch Date and the date as of which such Obligation is issued or incurred;
- (ii) if Grace Period Extension is specified as Applicable in the related Final Terms, a Potential Failure to Pay has occurred on or prior to the fourth Business Day immediately preceding the Scheduled Maturity Date and the applicable grace period cannot, by its terms, expire on or prior to the fourth Business Day immediately preceding the Scheduled Maturity Date, the Grace Period shall be deemed to be the lesser of such grace period and thirty calendar days; and
- (iii) if, at the later of the Launch Date and the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Business Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Business Days shall be deemed to apply to such Obligation; provided that; unless Grace Period Extension is specified as Applicable in the related Final Terms, such deemed Grace Period shall expire no later than the Last Credit Event Occurrence Date.

**Grace Period Business Day** means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Obligation and if a place or places are not so specified, in the jurisdiction of the Obligation Currency.

**Grace Period Extension Date** means, if (a) Grace Period Extension is specified as Applicable in the related Final Terms and (b) a Potential Failure to Pay occurs on or prior to the fourth Business Day immediately preceding the Scheduled Maturity Date, the date that is the number of days in the Grace Period after the date of such Potential Failure to Pay. If Grace Period Extension is specified as Not Applicable in the related Final Terms, Grace Period Extension shall not apply to the Notes. If (i) Grace Period Extension is specified as Applicable in the related Final Terms, (ii) a Potential Failure to Pay occurs on or prior to the fourth Business Day immediately preceding the Scheduled Maturity Date and (iii) a Credit Event Determination Date in respect of that Failure to Pay does not occur during the Notice Delivery Period, the Grace Period Extension Date will be

the Maturity Date (even if a Failure to Pay occurs after the fourth Business Day immediately preceding the Scheduled Maturity Date).

**Illegal or Impossible** means, in respect of the Delivery of any Specified Deliverable Obligations, that it is illegal or impossible for the Issuer to Deliver or for a Noteholder to take Delivery of all or part of such Specified Deliverable Obligations because of:

- (i) any legal, contractual or other restrictions or constraints affecting the Delivery of the Specified Deliverable Obligations (including, without limitation, any laws, regulations, court orders, other governmental or regulatory constraints, the specific terms or conditions of the Specified Deliverable Obligations or failure to obtain the relevant consents, including but not limited to the consent of the Reference Entity and the guarantor (if any) of the Reference Entity or the consent of the applicable borrower in the case of a Specified Deliverable Obligation guaranteed by the Reference Entity); or
- (ii) any event which is beyond the control of the Issuer (including, without limitation, failure of the Relevant Clearing System or the refusal by a Noteholder to take Delivery of any of the Specified Deliverable Obligations); or
- (iii) any event which is beyond the control of a Noteholder due to its specific situation.

**Last Credit Event Occurrence Date** means the fourth Business Day immediately preceding:

- the Scheduled Maturity Date; or
- *if Repudiation/Moratorium is specified as Applicable in the related Final Terms:* the Repudiation/Moratorium Evaluation Date if (i) the Credit Event that is the subject of a Credit Event Notice is a Repudiation/Moratorium, (ii) the Potential Repudiation/Moratorium with respect to such Repudiation/Moratorium has occurred on or prior to the fourth Business Day immediately preceding the Scheduled Maturity Date and (iii) the Repudiation/Moratorium Extension Condition is satisfied; or
- *if Grace Period Extension is specified as Applicable in the related Final Terms:* the Grace Period Extension Date if (i) the Credit Event that is the subject of a Credit Event Notice is a Failure to Pay and (ii) the Potential Failure to Pay with respect to such Failure to Pay has occurred on or prior to the fourth Business Day immediately preceding the Scheduled Maturity Date.

**Latest Notification Date** means the second Business Day following the day that is 30 calendar days after the Credit Event Determination Date.

**Latest Permissible Physical Settlement Date** means the day that is 60 Business Days after the date on which a Notice of Physical Settlement is delivered to the Relevant Clearing System.

**Launch Date** is the date specified in the applicable Final Terms.

**Listed** means an obligation that is quoted, listed or ordinarily purchased and sold on an exchange. Unless otherwise specified in the applicable Final Terms:

- if the Obligation Characteristic Listed is specified as Applicable in the related Final Terms, such Final Terms shall be construed as though Listed had been specified as an Obligation Characteristic only with respect to Bonds and shall only be relevant if Bonds are covered by the selected Obligation Category; and
- if the [Deliverable]\*\*[Selected]\* Obligation Characteristic Listed is specified as Applicable in the related Final Terms, such Final Terms shall be construed as though such [Deliverable]\*\*[Selected]\* Obligation Characteristic had been specified as a [Deliverable]\*\*[Selected]\* Obligation Characteristic only with respect to Bonds and shall only be relevant if Bonds are covered by the specified [Deliverable]\*\*[Selected]\* Obligation Category).

**Loan** means any obligation of a type included in the Borrowed Money Obligation Category that is documented by a term loan agreement, revolving loan agreement or other similar credit agreement and shall not include any other type of Borrowed Money.

**Market Value** means, in respect of an Undeliverable Obligation, a quotation (expressed as a percentage) of such Undeliverable Obligation, obtained from Quotation Dealers in the manner provided below. The Calculation Agent will determine, based on the then current market practice, whether such quotations will include or exclude accrued but unpaid interest and all quotations will be obtained in accordance with this determination. The Calculation Agent will require each Quotation Dealer to provide quotations to the extent reasonably practicable at approximately 11:00 a.m. London time or 11:00 a.m. New York time, as the case may be.

- (i) If the Calculation Agent obtains more than three Full Quotations on the Credit Valuation Date, the Market Value will be the arithmetic mean of such Full Quotations, disregarding the Full Quotations with the highest and lowest values (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations will be disregarded).
- (ii) If the Calculation Agent is unable to obtain more than three Full Quotations, but obtains exactly three Full Quotations on the Credit Valuation Date, the Market Value will be the Full Quotation remaining after disregarding the highest and lowest Full Quotations (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations will be disregarded).
- (iii) If the Calculation Agent is unable to obtain three Full Quotations, but obtains exactly two Full Quotations on the Credit Valuation Date, the Market Value will be the arithmetic mean of such Full Quotations.
- (iv) If the Calculation Agent is unable to obtain two Full Quotations, but obtains a Weighted Average Quotation on the Credit Valuation Date, the Market Value will be such Weighted Average Quotation.
- (v) If the Calculation Agent obtains fewer than two Full Quotations and no Weighted Average Quotation on the Credit Valuation Date, then the Market Value will be an amount as determined by the Calculation Agent on the next Business Day on which the Calculation Agent obtains two or more Full Quotations, a Weighted Average Quotation. If the Calculation Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation on the same Business Day on or prior to the fifteenth Business Day following the Credit Valuation Date, the Market Value will be deemed to be zero.

**Maximum Maturity** means an obligation that has a remaining maturity from the [Physical Settlement Date]\*\* [Credit Valuation Date]\* of not greater than the period specified in the applicable Final Terms.

**Modified Eligible Transferee** means any bank, financial institution or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities and other financial assets.

**Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation** means, if specified as Applicable in the related Final Terms and if Restructuring is the only Credit Event specified in a Credit Event Notice delivered by or on behalf of the Issuer, that a [Deliverable]\*\* [Selected]\* Obligation may be specified in the [Notice of Physical Settlement]\*\* [Final Valuation Notice]\* only if it (i) is a Conditionally Transferable Obligation and (ii) has a final maturity date not later than the applicable Modified Restructuring Maturity Limitation Date.

**Modified Restructuring Maturity Limitation Date** means, with respect to a [Deliverable]\*\* [Selected]\* Obligation, the date that is the later of (x) the Scheduled Maturity Date and (y) 60 months following the Restructuring Date in the case of a Restructured Bond or Loan, or 30 months following the Restructuring Date in the case of all other [Deliverable]\*\* [Selected]\* Obligations.

**Multiple Holder Obligation** means an Obligation that (i) at the time of the event which constitutes a Restructuring is held by more than three holders that are not Affiliates of each other and (ii) with respect to which a percentage of holders (determined pursuant to the terms of the Obligation as in effect on the date of such event) at least equal to sixty-six-and-two-thirds is required to consent to the event which constitutes a Restructuring provided that any Obligation that is a Bond shall be deemed to satisfy the requirement in this subparagraph (ii) of this definition of Multiple Holder Obligation.

**Nominal Amount** means the Specified Denomination of one Note as specified in the applicable Final Terms subject, as the case may be, to the provisions of Part 1 of this Credit Technical Annex.

**Not Bearer** means any obligation that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via Clearstream, Luxembourg, Euroclear or any other internationally recognised clearing

system. Unless otherwise specified in the applicable Final Terms, if the [Deliverable]\*\*[Selected]\* Obligation Characteristic Not Bearer is specified as Applicable in the related Final Terms, such Final Terms shall be construed as though such [Deliverable]\*\*[Selected]\* Obligation Characteristic had been specified as a [Deliverable]\*\*[Selected]\* Obligation Characteristic only with respect to Bonds and shall only be relevant if Bonds are covered by the specified [Deliverable]\*\*[Selected]\* Obligation Category).

**Not Contingent** means any obligation having as of the [Physical Settlement Date]\*\*[Credit Valuation Date]\* and all times thereafter an outstanding principal balance or, in the case of obligations that are not Borrowed Money, a Due and Payable Amount, that pursuant to the terms of such obligation may not be reduced as a result of the occurrence or non-occurrence of an event or circumstance (other than payment or, in the case of any Qualifying Guarantee, the beneficiary's giving notice that a payment is due under such Qualifying Guarantee or any other similar procedure requirement). A Convertible Obligation, an Exchangeable Obligation and an Accreting Obligation shall satisfy the Not Contingent [Deliverable]\*\*[Selected]\* Obligor Characteristic if such Convertible Obligation, Exchangeable Obligation or Accreting Obligation otherwise meets the requirements of the preceding sentence so long as, in the case of a Convertible Obligation or an Exchangeable Obligation, the right (A) to convert or exchange such obligation or (B) to require the issuer to purchase or redeem such obligation (if the issuer has exercised or may exercise the right to pay the purchase or redemption price, in whole or in part, in Equity Securities) has not been exercised (or such exercise has been effectively rescinded) on or before the [Physical Settlement Date]\*\* [Credit Valuation Date]\*.

If a Reference Obligation is a Convertible Obligation or an Exchangeable Obligation, then such Reference Obligation may be included as a [Deliverable]\*\*[Selected]\* Obligor only if the rights referred to in clauses (A) and (B) of this definition of Not Contingent have not been exercised (or such exercise has been effectively rescinded) on or before [Physical Settlement Date]\*\*[Credit Valuation Date]\*.

**Not Domestic Currency** means any obligation that is payable in any currency other than the Domestic Currency.

**Not Domestic Issuance** means any obligation other than an obligation that was, at the time the relevant obligation was issued (or reissued, as the case may be) or incurred, intended to be offered for sale primarily in the domestic market of the relevant Reference Entity. Any obligation that is registered or qualified for sale outside the domestic market of the relevant Reference Entity (regardless of whether such obligation is also registered or qualified for sale within the domestic market of the relevant Reference Entity) shall be deemed not to be intended for primarily in the domestic market of the Reference Entity.

**Not Domestic Law** means any obligation that is not governed by the laws of (A) the relevant Reference Entity, if such Reference Entity is a Sovereign, or (B) the jurisdiction of organisation of the relevant Reference Entity, if such Reference Entity is a Sovereign.

**Not Subordinated** means an obligation that is not Subordinated to (i) the most senior Reference Obligation in priority of payment or (ii) if no Reference Obligation is specified in the applicable Final Terms, any unsubordinated Borrowed Money obligation of the Reference Entity. For purposes of determining whether a [Deliverable]\*\* [Selected]\* Obligor satisfies the Not Subordinated Obligor Characteristic or [Deliverable] Obligor Characteristic\*\* [Selected Obligor Characteristic]\* the ranking in priority of payment of each Reference Obligation shall be determined as of the later of (a) the Launch Date and (b) the date on which such Reference Obligation was issued or incurred and shall not reflect any change to such ranking in priority of payment after such later date.

**Notice Delivery Period** means the period from and including the Issue Date to and including:

- (a) the Scheduled Maturity Date; or
- (b) the Grace Period Extension Date if (i) Grace Period Extension is specified as Applicable in the relevant Final Terms, (ii) the Credit Event that is the subject of the Credit Event Notice is a Failure to Pay that occurs after the fourth Business Day immediately preceding the Scheduled Maturity Date and (iii) the Potential Failure to Pay with respect to such Failure to Pay occurs on or prior to the fourth Business Day immediately preceding the Scheduled Maturity Date; or
- (c) the Repudiation/Moratorium Evaluation Date if (i) the Credit Event that is the subject of the Credit Event Notice is a Repudiation/Moratorium that occurs after the fourth Business Day immediately

preceding the Scheduled Maturity Date, (ii) the Potential Repudiation/Moratorium with respect to such Repudiation/Moratorium occurs on or prior to the fourth Business Day immediately preceding the Scheduled Maturity Date and (iii) the Repudiation/Moratorium Extension Condition is satisfied.

**Notice of Publicly Available Information** means, in relation to a Credit Event Notice or a Repudiation/Moratorium Extension Notice, an irrevocable notice delivered by or on behalf of the Issuer that cites Publicly Available Information confirming the occurrence of the Credit Event or Potential Repudiation/Moratorium, as applicable, described in the Credit Event Notice or Repudiation/Moratorium Extension Notice. In relation to a Repudiation/Moratorium Credit Event, the Notice of Publicly Available Information must cite Publicly Available Information confirming the occurrence of both clauses (i) and (ii) of the definition of Repudiation/Moratorium. The notice given must contain a copy, or a description in reasonable detail, of the relevant Publicly Available Information. If Notice of Publicly Available Information is specified as Applicable in the related Final Terms and a Credit Event Notice or Repudiation/Moratorium Extension Notice, as applicable, contains Publicly Available Information, such Credit Event Notice or Repudiation/Moratorium Extension Notice will also be deemed to be a Notice of Publicly Available Information.

**Notice of Physical Settlement** means an irrevocable notice that is effective no later than the Latest Notification Date (included) from or on behalf of the Issuer to the Noteholders specifying the Specified Deliverable Obligations the Issuer reasonably expects to Deliver or procure the Delivery of to the Noteholders. The Issuer is not bound to Deliver such Specified Deliverable Obligations mentioned in the Notice of Physical Settlement. However, it will, to the extent possible, give the Noteholders notice of any subsequent change in the Specified Deliverable Obligations mentioned in the Notice of Physical Settlement (the term Specified Deliverable Obligation is deemed to include such change).

**Obligation means:**

- (i) any obligation of a Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee, or if All Guarantees is specified as Applicable in the related Final Terms, as provider of any Qualifying Guarantee), described by the Obligation Category specified in the applicable Final Terms and having each of the Obligation Characteristics, if any, specified in the applicable Final Terms, in each case, as of the date of the event which constitute the Credit Event which is the subject of the Credit Event Notice;
- (ii) the Reference Obligation (if any); and
- (iii) any other obligation of a Reference Entity specified as such in the related Final Terms.

**Obligation Acceleration** means one or more Obligations in an aggregate amount of not less than the Default Requirement have become due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of the Reference Entity under one or more Obligations.

**Obligation Category** means any one of Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan, as specified in the applicable Final Terms.

**Obligation Characteristics** means any one or more of Not Subordinated, Specified Currency, Not Domestic Currency, Not Domestic Law, Listed, and Not Domestic Issuance, as specified in the applicable Final Terms. For the purposes of applicable of the Obligation Characteristics to an Underlying Obligation, references to the Reference Entity shall be deemed to refer to the Underlying Obligor.

**Obligation Currency** means the currency or currencies in which an Obligation is denominated.

**Obligation Default** means one or more Obligations in an aggregate amount of not less than the Default Requirement have become capable of being declared due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of a Reference Entity under one or more Obligations.

**outstanding principal balance** when used in connection with Qualifying Guarantees, the term outstanding principal balance is to be interpreted to be the then outstanding principal balance of the Underlying Obligation which is supported by a Qualifying Guarantee.

**Payment** means any obligation (whether present or future, contingent or otherwise) for the payment or repayment of money, including, without limitation, Borrowed Money.

**Payment Requirement** means, unless specified otherwise in the applicable Final Terms, USD 1,000,000 or its equivalent in the Obligation Currency as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as applicable.

**Permitted Currency** means (A) the legal tender of any Group of 7 country (or any country that becomes a member of the Group of 7 if such Group of 7 expands its membership) or (B) the legal tender of any country which, as of the date of such change, is a member of the Organisation for Economic Cooperation and Development and has a local currency long-term debt rating of either AAA or higher assigned to it by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. or any successor to the rating business thereof, Aaa or higher assigned to it by Moody's Investor Service, Inc. or any successor to the rating business thereof or AAA or higher assigned to it by Fitch Ratings or any successor to the rating business thereof.

**Physical Delivery Amount** means, for each Note, Specified Deliverable Obligations with an outstanding principal balance, excluding accrued interest, equal to the Nominal Amount or, if applicable, the Partial Redemption Amount in case of the occurrence of a Restructuring (see clause III of Part 1 of this Credit Technical Annex) or the Multiple Successor Notional Amount (clause IV of Part 1 of this Credit Technical Annex). If the number of Specified Deliverable Obligations that the Issuer can Deliver is not an integer then, in respect of each Note, the Physical Delivery Amount will include, in addition to the Specified Deliverable Obligations that can be Delivered, the market value in cash, excluding accrued interest, of Specified Deliverable Obligations with an outstanding principal balance equal to the difference between the Nominal Amount or, if applicable, the Partial Redemption Amount in case of the occurrence of a Restructuring (clause III of Part 1 of this Credit Technical Annex) or the Multiple Successor Notional Amount (clause IV of Part 1 of this Credit Technical Annex) and the outstanding principal balance of the Specified Deliverable Obligations that can be Delivered, as determined by the Calculation Agent.

**Physical Settlement Date** means the date on which the Issuer Delivers the Physical Delivery Amount to the Noteholders, or, if the Issuer does not Deliver on the same date all the portfolio of Deliverable Obligations comprised in the Physical Delivery Amount, the date on which the Issuer has completed the Delivery thereof for all the Notes to all the Noteholders.

**Physical Settlement Period** means the period from and including the date on which a Notice of Physical Settlement is delivered to the Relevant Clearing System to and including the Latest Permissible Physical Settlement Date.

**Potential Failure to Pay** means the failure by a Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations, without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Obligations, in accordance with the terms of such Obligations at the time of such failure.

**Potential Repudiation/Moratorium** means the occurrence of an event described in clause (i) of the definition of Repudiation/Moratorium.

**Publicly Available Information** means information that reasonably confirms any of the facts relevant to the determination that the Credit Event or Potential Repudiation/Moratorium, as applicable, described in the Credit Event Notice or Repudiation/Moratorium Extension Notice, has occurred and which:

- (i) has been published in or on not less than the Specified Number of Public Sources, regardless of whether the reader or user thereof pays a fee to obtain such information; provided that if the Calculation Agent or any of its Affiliates is cited as the sole source of such information, then such information shall not be deemed to be a Publicly Available Information unless the Calculation Agent or its Affiliate is acting in its capacity as trustee, fiscal agent, administrative agent, clearing agent or paying agent for an Obligation; or



- (ii) is information received from or published by:
  - (A) a Reference Entity (or a Sovereign Agency in respect of a Reference Entity which is a Sovereign); or
  - (B) a trustee, fiscal agent, administrative agent, clearing agent or paying agent for an Obligation, or
- (iii) is information contained in any petition or filing instituting a proceeding against or by the Reference Entity seeking a judgement of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or presented for its winding-up or liquidation, where any such proceeding or petition instituted or presented against the Reference Entity (a) results in a judgement of insolvency or bankruptcy or the entry of an order for relief of the making of an order for its winding-up or liquidation or (b) is not dismissed, discharged, stayed or restrained in each case within thirty calendar days of the institution or presentation thereof; or
- (iv) is information contained in any order, decree, notice or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body.

In the event that the Calculation Agent is (i) the sole source of information in its capacity as trustee, fiscal agent, administrative agent, clearing agent or paying agent for an Obligation and (ii) a holder of the Obligation with respect to which a Credit Event has occurred, the Calculation Agent shall be required to deliver a certificate signed by a managing director (or other substantively equivalent title) of the Calculation Agent, which shall certify the occurrence of a Credit Event with respect to the Reference Entity.

In relation to any information of the type described in (ii), (iii) and (iv) of the definition of Publicly Available Information, the party receiving such information may assume that such information has been disclosed to it without violating any law, agreement or understanding regarding the confidentiality or such information and that the party delivering such information has not taken any action or entered into any agreement or understanding with the Reference Entity or any Affiliate of the Reference Entity that would be breached by, or would prevent, the disclosure of such information to third parties.

Publicly Available Information need not state (i) in relation to a Qualifying Affiliate Guarantee, the percentage of Voting Shares owned, directly or indirectly, by the Reference Entity and (ii) that such occurrence (a) has met the Payment Requirement or Default Requirement, (b) is the result of exceeding any applicable Grace Period, or (c) has met the subjective criteria specified in certain Credit Events including without limitation qualifying under clause (i) of Bankruptcy.

**Public Source** means each source of Publicly Available Information specified in the applicable Final Terms (or if a source is not specified, each of Bloomberg Service, Dow Jones Telerate Service, Reuter Monitor Money Rates Services, Dow Jones News Wire, Wall Street Journal, New York Times, Nihon Keizai Shinbun, Asahi Shinbun, Yomiuri Shinbun, Financial Times, La Tribune, Les Echos and The Australian Financial Review (and successor publications), the main source(s) of business news in the country in which the Reference Entity is organised and any other internationally recognised published or electronically displayed news sources).

**Qualifying Guarantee** means an arrangement evidenced by a written instrument pursuant to which a Reference Entity irrevocably agrees (by guarantee of payment or equivalent legal arrangement) to pay all amounts due under an obligation (the **Underlying Obligation**) for which another party is the obligor (the **Underlying Obligor**). Qualifying Guarantees shall exclude any arrangement (i) structured as a surety bond, financial guarantee insurance policy, letter of credit or equivalent legal arrangement or (ii) pursuant to the terms of which the payment obligations of the Reference Entity can be discharged, reduced or otherwise altered or assigned (other than by operation of law) as a result of the occurrence or non-occurrence of an event or circumstance (other than payment). [The benefit of a Qualifying Guarantee must be capable of being Delivered together with the Delivery of the Underlying Obligation.]\*\*

**Qualifying Affiliate Guarantee** means a Qualifying Guarantee provided by a Reference Entity in respect of an Underlying Obligation of a Downstream Affiliate of that Reference Entity.

**Quotation Amount** means:

- *If Physical Delivery is specified in the applicable Final Terms:* an amount equal to the outstanding principal balance (excluding accrued interest), or Due and Payable Amount, as applicable, of the Undeliverable Obligation.
- *If Cash Settlement is specified in the applicable Final Terms:* an amount equal to the outstanding principal balance of the Notes, if there is only one Selected Obligations; otherwise (if there is a portfolio of Selected Obligations), the Quotation Amount shall be a weighted amount in respect of each Selected Obligation, the sum of all such Quotation Amounts being equal to the outstanding principal balance of the Notes.

**Quotation Dealers** means at least five leading dealers in obligations of the type of the Undeliverable Obligation(s), which may include Société Générale, as selected by the Calculation Agent in its sole discretion acting in a commercially reasonable manner.

**Reference Entity** means:

- *unless (i) First-to-Default is specified as Applicable in the related Final Terms:* the entity specified in the applicable Final Terms or any Successor thereto; or
- *If First-to-Default is specified as Applicable in the related Final Terms:*
  - (a) in relation to a Reference Entity that is not a Sovereign: each entity set out in the applicable Final Terms and any direct or indirect successor thereto that assumes all or substantially all of the obligations thereof by way of merger, consolidation, amalgamation, transfer or otherwise, whether by operation of law or pursuant to any agreement, subject to the provisions in (c) below;
  - (b) in relation to a Reference Entity that is a Sovereign the entity specified in the applicable Final Terms or any Successor thereto, subject to the provisions in (c) below, applied *mutatis mutandis*;
  - (c) In the event that a Reference Entity (X), assumes all or substantially all of the obligations of another Reference Entity (Y) by way of merger, consolidation, amalgamation, transfer or otherwise, whether by operation of law or pursuant to any agreement (each, a **Merger Event**), the Calculation Agent acting in good faith and in its sole discretion shall, within three Business Days of such Merger Event, select a new entity having an equivalent Rating (as defined below) or an equivalent credit risk (if no Rating is available) to Y immediately prior to the occurrence of the Merger Event; such new entity shall be deemed to have replaced Y as Reference Entity effective on and from the date of the Merger Event.

For the purpose of this definition **Rating** means the senior unsecured debt rating assigned by the three rating agencies Moody's Investor Service, Inc., Standard & Poor's, a division of The McGraw-Hill Companies, Inc. and Fitch Ratings or any of them, being understood that if the ratings assigned in respect of an entity are not equivalent, only the highest one(s) will be taken into consideration.

In the event a Reference Entity (X) splits into several entities, as a result of a demerger or otherwise, X shall be deemed replaced by the entity that the Calculation Agent shall have selected among the resulting entities in its sole discretion.

**Reference Obligation(s)** the reference obligation(s) specified in the applicable Final Terms, or any Substitute Reference Obligation(s).

**Reference Obligations Only** means any obligation that is a Reference Obligation and no Obligation Characteristics shall be applicable to Reference Obligations Only.

**Relevant Clearing System** means Clearstream Banking, société anonyme, Luxembourg (**Clearstream, Luxembourg**), Euroclear Bank S.A./N.V. (**Euroclear**) or any other clearance system for the Deliverable Obligations as designated by Euroclear or Clearstream, Luxembourg.

**Relevant Obligations** means the Obligations constituting Bonds and Loans of the Reference Entity outstanding immediately prior to the effective date of the Succession Event, excluding any debt obligations outstanding between the Reference Entity and any of its Affiliates, as determined by the Calculation Agent. The Calculation Agent will determine the entity which succeeds to such Relevant Obligations on the basis of Best Available

Information. If the date on which Best available Information becomes available or is filed precedes the legally effective date of the relevant succession Event, any assumptions as to the allocation of obligations between or among entities contained in the Best Available Information will be deemed to have been fulfilled as of the legally effective date of the Succession Event, whether or not this is in fact the case.

**Repudiation/Moratorium** means the occurrence of both of the following events: (i) an authorised officer of a Reference Entity or a Governmental Authority (a) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Obligations in an aggregate amount of not less than the Default Requirement or (b) declares or imposes a moratorium, standstill, roll-over or deferral, whether *de facto* or *de jure*, with respect to one or more Obligations in an aggregate amount of not less than the Default Requirement and (ii) a Failure to Pay, determined without regard to the Payment Requirement, or a Restructuring, determined without regard to the Default Requirement, with respect to any such Obligation occurs on or prior to the fourth Business Day immediately preceding the Repudiation/Moratorium Evaluation Date.

**Repudiation/Moratorium Evaluation Date** means, if a Potential Repudiation/Moratorium occurs on or prior to the fourth Business Day immediately preceding the Scheduled Maturity Date, (i) the Obligations to which such Potential Repudiation/Moratorium relates includes Bonds, the date that is the later of (A) the date that is 60 days plus four Business Days after the date of such Potential Repudiation/Moratorium and (B) the first payment date plus four Business Days under any such Bond after the date of such Potential Repudiation/Moratorium (or, if later, the expiration date of any applicable Grace Period in respect of such payment date) and (ii) if the Obligations to which such Potential Repudiation/Moratorium relates do not include Bonds, the date that is 60 days plus four Business Days after the date of such Potential Repudiation/Moratorium. If (i) the Repudiation/Moratorium Extension Condition is satisfied and (ii) a Credit Event Determination Date in respect of that Repudiation/Moratorium does not occur during the Notice Delivery Period, the Repudiation/Moratorium Evaluation Date will be the Maturity Date (even if a Repudiation/Moratorium occurs after the Scheduled Maturity Date).

**Repudiation/Moratorium Extension Condition** means a condition that is satisfied by the delivery of a Repudiation/Moratorium Extension Notice and, if specified as Applicable in the related Final Terms, Notice of Publicly Available Information by or on behalf of the Issuer to the Noteholders that is effective during the period described in clause (a) of the definition of Notice Delivery Period.

**Repudiation/Moratorium Extension Notice** means an irrevocable notice delivered by or on behalf of the Issuer to the Noteholders that describes a Potential Repudiation/Moratorium that occurred on or after the Launch Date and on or prior to the fourth Business Day immediately preceding the Scheduled Maturity Date. A Repudiation/Moratorium Extension Notice must contain a description in reasonable detail of the facts relevant to the determination that a Potential Repudiation/Moratorium has occurred and indicate the date of the occurrence. The Potential Repudiation/Moratorium that is the subject of the Repudiation/Moratorium Extension Notice need not be continuing on the date the Repudiation/Moratorium Extension Notice is effective. If Notice of Publicly Available Information is specified as Applicable in the related Final Terms and a Repudiation/Moratorium Extension Notice contains Publicly Available Information, such Repudiation/Moratorium Extension Notice will also be deemed to be a Notice of Publicly Available Information.

**Restructured Bond or Loan** means an Obligation which is a Bond or Loan and in respect of which a Restructuring that is the subject of a Credit Event Notice has occurred.

**Restructuring** means that:

- (a) with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between a Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligation to bind all holders of the Obligation or is announced (or otherwise decreed) by a Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation, and such event is not expressly provided for under the terms of such Obligation in effect as of the later of the Launch Date and the date as of which such Obligation is issued or incurred:
  - (i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals;

- (ii) a reduction in the amount of principal or premium payable at maturity or at scheduled redemption dates;
  - (iii) a postponement or other deferral of a date or dates for either (A) the payment or accrual of interest or (B) the payment of principal or premium;
  - (iv) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation; or
  - (v) any change in the currency or composition of any payment of interest or principal to any currency which is not Permitted Currency.
- (b) Notwithstanding the provisions of (a) above, none of the following will constitute a Restructuring:
- (i) the payment in euros of interest or principal in relation to any Obligation denominated in a currency of a Member State of the European Union that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on the European Union;
  - (ii) the occurrence of, agreement to or announcement of any of the events described in (a)(i) to (a)(v) above, due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and
  - (iii) the occurrence of, agreement to or announcement of any of the events described in (a)(i) to (a)(v) above in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity.
- (c) For the purposes of sub-paragraphs (a) and (b) above and, unless Multiple Holder is specified as Not Applicable in the related Final Terms (d) below and the definition of Multiple Holder Obligation, the term Obligation shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as Applicable in the related Final Terms, as provider of any Qualifying Guarantee. In the case of a Qualifying Guarantee and an Underlying Obligation, references to the Reference Entity in Section (a) above shall be deemed to refer to the Underlying Obligor and the reference to the Reference Entity in Section (b) above shall continue to refer to a Reference Entity.
- (d) Unless Multiple Holder is specified as Not Applicable in the related Final Terms, then, notwithstanding anything to the contrary in (a), (b) and (c) above, the occurrence of, agreement to or announcement of any of the events described in (a)(i) to (v) above shall not be a Restructuring unless the Obligation in respect of any such events is a Multiple Holder Obligation.

**Restructuring Date** means, with respect to a Restructured Bond or Loan, the date on which a Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring.

**Restructuring Maturity Limitation and Fully Transferable Obligation** means, if specified as Applicable in the related Final Terms and if Restructuring is the only Credit Event specified in a Credit Event Notice delivered by or on behalf of the Issuer, that a [Deliverable]\*\* [Selected]\* Obligation may be specified in the [Notice of Physical Settlement]\*\* [Final Valuation Notice]\* only if it (i) is a Fully Transferable Obligation and (ii) has a final maturity date not later than the Restructuring Maturity Limitation Date.

**Restructuring Maturity Limitation Date** means the date that is the earlier of (x) thirty months following the Restructuring Date and (y) the latest final maturity date of any Restructured Bond or Loan, provided, however, that under no circumstances shall the Restructuring Maturity Limitation Date be earlier than the Scheduled Maturity Date or later than thirty months following the Scheduled Maturity Date and if it is, it shall be deemed to be the Scheduled Maturity Date or thirty months following the Scheduled Maturity Date, as the case may be.

**Selected Obligation(s)** means, for the purpose of determining the Final Price, as specified in the Final Valuation Notice, subject to, if specified as Applicable in the related Final Terms, the provisions contained in the definition of Restructuring Maturity Limitation and Fully Transferable Obligation or the provisions contained in the Definition of Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation, any of:

- (i) the Reference Obligation (if any);
  - (ii) any obligation of a Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee, or if All Guarantees is specified as Applicable in the related Final Terms, as provider of any Qualifying Guarantee), described by the Selected Obligation Category specified in the applicable Final Terms and having each of the Selected Obligation Characteristics, if any, specified in the applicable Final Terms that (i) is payable in an amount equal to its outstanding principal balance (excluding accrued interest), or Due and Payable Amount, as applicable, (ii) in the case of a Qualifying Guarantee other than a Qualifying Affiliate Guarantee, is capable, at the Credit Valuation Date, of immediate assertion or demand by or on behalf of the holder or holders against the Reference Entity for an amount at least equal to the outstanding principal balance (excluding accrued interest) or Due and Payable Amount, as applicable, apart from the giving of any notice of non-payment or similar procedural requirement, it being understood that acceleration of an Underlying Obligation shall not be considered a procedural requirement and (iii) that is not subject to a right of set-off by or of a Reference Entity or any applicable Underlying Obligor or any counterclaim or defence, other than a counterclaim or defence based on the following factors:
    - (a) any lack or alleged lack of authority or capacity of a Reference Entity to enter into any Selected Obligations;
    - (b) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Selected Obligations, however described;
    - (c) any applicable law, order, regulation, decree or notice, however described, or the promulgation of, or any change in, the interpretation by any court, tribunal, regulatory authority or similar administrative or judicial body with competent or apparent jurisdiction of any applicable law, order, regulation, decree or notice, however described; or
    - (d) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.
  - (iii) solely in relation to a Restructuring applicable to a Sovereign Reference Entity, any Sovereign Restructured Selected Obligation that (i) is payable in an amount equal to its outstanding principal balance (excluding accrued interest), or Due and Payable Amount, as applicable, (ii) is not subject to any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in subparagraph (x)(a)-(d) above or right of set off by or of the Reference Entity or, as applicable, an Underlying Obligor and (iii) in the case of a Qualifying Guarantee other than a Qualifying Affiliate Guarantee, is capable, at the Credit Valuation Date, of immediate assertion or demand by or on behalf of the holder or holders against the Reference Entity for an amount at least equal to the outstanding principal balance of the Notes (excluding accrued interest), or Due and Payable Amount, as applicable apart from the giving of any notice of non-payment or similar procedural requirement, it being understood that acceleration of an Underlying Obligation shall not be considered a procedural requirement;
  - (iv) any other obligation of a Reference Entity specified as such in the related Final Terms.
- *If the Notes described in the applicable Final Terms are denominated in Euros:* where a Selected Obligation is denominated in a currency other than Euro, the Calculation Agent will determine the Euro equivalent of such amount by reference to the MEAN price as displayed on Reuters Page ECB37 as of London 12:00 pm on the Credit Valuation Date, or in such other commercially reasonable manner as it will determine in its sole discretion.
  - *If the Notes described in the applicable Final Terms are denominated in United States Dollars:* where a Selected Obligation is denominated in a currency other than United States Dollar, the Calculation Agent will determine the United States Dollar equivalent of such amount by reference to the Federal Reserve Bank of New York 10.00 a.m. mid point rate as displayed on Reuters Page FEDSPOT on the Credit Valuation Date, or in such other commercially reasonable manner as it will determine in its sole discretion.

- *If the Notes described in the applicable Final Terms are denominated in Hong Kong Dollars:* where a Selected Obligation is denominated in a currency other than Hong Kong Dollar, the Calculation Agent will determine the Hong Kong Dollar equivalent of such amount by reference to the Federal Reserve Bank of New York 10.00 a.m. mid point rate as displayed on Reuters Page FEDSPOT on the Credit Valuation Date, or in such other commercially reasonable manner as it will determine in its sole discretion.

**Selected Obligation Category** means any one of Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan, as specified in the applicable Final Terms. In case of Reference Obligation Only, no Selected Obligation Characteristics shall be applicable.

**Selected Obligation Characteristics** means any one or more of Not Subordinated, Specified Currency, Not Domestic Currency, Not Domestic Law, Listed, Not Contingent, Not Domestic Issuance, Assignable Loan, Consent Required Loan, Transferable, Maximum Maturity, and Not Bearer, as specified in the applicable Final Terms. If any of Payment, Borrowed Money, Loan or Bond or Loan is specified as Selected Obligation Category and more than one Assignable Loan, and Consent Required Loan are specified as Selected Obligation Characteristics, the Selected Obligation may include any Loan that satisfies any one of such Selected Obligation Characteristics specified and need not satisfy all such Selected Obligation Characteristics. For the purposes of applicable of the Selected Obligation Characteristics to an Underlying Obligation, references to the Reference Entity shall be deemed to refer to the Underlying Obligor.

**Settlement Method** means either Physical Settlement (see Part 1-I-1) of this Credit Technical Annex) or Cash Settlement (see Part 1-II-2) of this Credit Technical Annex) as specified in the applicable Final Terms.

**Settlement Protocol** means a market protocol, published by ISDA or any other recognised association or organisation selected by the Calculation Agent, which provides for the valuation of any obligations of a Reference Entity in respect of which a Credit Event, as defined above, has occurred and which shall be used to determine the amounts payable between the parties to a credit derivatives transaction referencing such Reference Entity.

**Settlement Currency** means the currency specified as such in the applicable Final Terms or, if no currency is specified, the currency of the Specified Denomination of the relevant Notes.

**Specified Number** means the number of Public Sources specified in the applicable Final Terms (of if a number is not specified, two).

**Sovereign** means any state, political subdivision or government, or any agency, instrumentality, ministry, department or other authority (including, without limiting the foregoing, the central bank) thereof.

**Sovereign Agency** means any agency, instrumentality, ministry, department or other authority (including, without limiting the foregoing, the central bank) of a Sovereign.

**Sovereign Restructured Deliverable Obligation** means an Obligation of a Sovereign Reference Entity (a) in respect of which a Restructuring that is the subject of the relevant Credit Event Notice has occurred and (b) described by the Deliverable Obligation Category specified in the applicable Final Terms and having each of the Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms, in each case, immediately preceding the date on which such Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring without regard to whether the Obligation would satisfy such Deliverable Obligation Category or Deliverable Obligation Characteristics meet the requirements after such Restructuring.

**Sovereign Restructured Selected Obligation** means an Obligation of a Sovereign Reference Entity (a) in respect of which a Restructuring that is the subject of the relevant Credit Event Notice has occurred and (b) described by the Selected Obligation Category specified in the applicable Final Terms and having each of the Selected Obligation Characteristics, if any, specified in the applicable Final Terms, in each case, immediately preceding the date on which such Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring without regard to whether the Obligation would satisfy such Selected Obligation Category or Selected Obligation Characteristics meet the requirements after such Restructuring.

**Specified Deliverable Obligation(s)** means Deliverable Obligations of the Reference Entity as specified in the Notice of Physical Settlement (subject to the definition of such term).

**Specified Currency** means an obligation that is payable in the currency or currencies specified as such in the applicable Final Terms (or, if Specified Currency is specified in the applicable Final Terms and no currency is specified, any of the lawful currencies of Canada, Japan, Switzerland, the United Kingdom, the United States of America and the euro (and any successor currency to any of the aforementioned currencies), which currencies shall be referred to collectively as the **Standard Specified Currencies** ).

**Subordination** means, with respect to an obligation (the **Subordinated Obligation**) and another obligation of the Reference Entity to which such obligation is being compared (the **Senior Obligation**), a contractual, trust or similar arrangement providing that (i) upon the liquidation, dissolution, reorganisation or winding up of the Reference Entity, claims of the holders of the Senior Obligation will be satisfied prior to the claims of the holders of the Subordinated Obligation or (ii) the holders of the Subordinated Obligation will not be entitled to receive or retain payments in respect of their claims against the Reference Entity at any time that the Reference Entity is in payment arrears or is otherwise in default under the Senior Obligation. **Subordinated** will be construed accordingly. For purposes of determining whether Subordination exists or whether an obligation is Subordinated with respect to another obligation to which it is being compared, the existence of preferred creditors arising by operation of law or of collateral, credit support or other credit enhancement arrangements shall not be taken into account, except that, notwithstanding the foregoing, priorities arising by operation of law shall be taken into account where the Reference Entity is a Sovereign.

**Substitute Reference Obligation(s)** means one or more obligations of the Reference Entity (either directly or as a provider of a Qualifying Affiliate Guarantee, or if All Guarantees is specified as Applicable in the related Final Terms, as provider of any Qualifying Guarantee) that will replace one or more Reference Obligations, identified by the Calculation Agent in accordance with the following procedures:

- (a) in the event that (i) a Reference Obligation is redeemed in whole or (ii) in the opinion of the Calculation Agent (A) the aggregate amounts due under any Reference Obligation have been materially reduced by redemption or otherwise (other than due to any scheduled redemption, amortisation or prepayments), (B) any Reference Obligation is an Underlying Obligation with a Qualifying Guarantee of the Reference Entity and, other than due to the existence or occurrence of a Credit Event, the Qualifying Guarantee is no longer a valid and binding obligation of the Reference Entity enforceable in accordance with its terms, or (C) for any other reason, other than due to the existence or occurrence of a Credit Event, any Reference Obligation is no longer an obligation of the Reference Entity, the Calculation Agent shall identify one or more Obligations to replace such Reference Obligation.
- (b) Any Substitute Reference Obligation or Substitute Reference Obligations shall be an Obligation that (1) ranks *pari passu* (or, if no such Obligation exists, then an Obligation that ranks senior) in priority of payment with such Reference Obligation (with the ranking in priority of payment of such Reference Obligation being determined as of the later of (A) the Launch Date and (B) the date on which such Reference Obligation was issued or incurred and not reflecting any change to such ranking in priority of payment after such date), (2) preserves the economic equivalent, as closely as practicable as determined by the Calculation Agent, of the Issuer's obligations under the Notes and (3) is an obligation of the Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee, or if All Guarantees is specified as Applicable in the related Final Terms, as provider of any Qualifying Guarantee). Upon notice to the Noteholders, the Substitute Reference Obligation or Substitute Reference Obligations identified by the Calculation Agent shall, without further action, replace such Reference Obligation or Reference Obligations.

The Calculation Agent will (in its absolute discretion) make such adjustments to the terms of the Notes that it determines are necessary in order to preserve the economic equivalent of the Issuer's obligations under the Notes.

**succeed** means, for the purposes of determining a Successor, with respect to a Reference Entity and its Relevant Obligations (or, as applicable, obligations), that a party other than such Reference Entity (i) assumes or becomes liable for such Relevant Obligations (or, as applicable, obligations) whether by operation of law or pursuant to any agreement or (ii) issues Bonds that are exchanged for Relevant Obligations (or, as applicable, obligations), and in either case such Reference Entity is no longer an obligor (primarily or secondarily) or guarantor with respect to such Relevant Obligations (or, as applicable, obligations). The determinations required pursuant to the

definition of Successor shall be made, in the case of an exchange offer, on the basis of the outstanding principal balance of Relevant Obligations tendered and accepted in the exchange and not on the basis of the outstanding principal balance of Bonds for which Relevant Obligations have been exchanged.

**Succession Event** means an event such as a merger, consolidation, amalgamation, transfer of assets or liabilities, demerger, spin-off or other similar event in which one entity succeeds to the obligations of another entity, whether by operation of law or pursuant to any agreement. Notwithstanding the foregoing, Succession Event shall not include an event in which the holders of obligations of the Reference Entity exchange such obligations for the obligations of another entity, unless such exchange occurs in connection with a merger, consolidation, amalgamation, transfer of assets or liabilities, demerger, spin-off or other similar event.

**Successor** means:

- (a) in relation to a Reference Entity that is not a Sovereign, the entity or entities, if any determined as set forth below:
  - (i) If one entity directly or indirectly succeeds to seventy-five per cent. or more of the Relevant Obligations of the Reference Entity by way of a Succession Event, that entity will be the sole Successor.
  - (ii) If only one entity directly or indirectly succeeds to more than twenty-five per cent. (but less than seventy five per cent.) of the Relevant Obligations of the Reference Entity by way of a Succession Event, and not more than twenty-five per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than twenty-five per cent. of the Relevant Obligations will be the sole Successor.
  - (iii) If more than one entity each directly or indirectly succeeds to more than twenty-five per cent. of the Relevant Obligations of the Reference Entity by way of a Succession Event, and not more than twenty-five per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entities that succeed to more than twenty-five per cent. of the Relevant Obligations will each be a Successor and the terms of the Notes will be amended in accordance with the provisions set out in the definition of Multiple Successor in Part 1-IV of this Credit Technical Annex.
  - (iv) If one or more entities each directly or indirectly succeed to more than twenty-five per cent. of the Relevant Obligations of the Reference Entity by way of a Succession Event, and more than twenty-five per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each such entity and the Reference Entity will each be a Successor and the terms of the Notes will be amended in accordance with the provisions set out in the definition of Multiple Successor in Part 1-IV of this Credit Technical Annex.
  - (v) If one or more entities directly or indirectly succeed to a portion of the Relevant Obligations of the Reference Entity by way of a Succession Event, but no entity succeeds to more than twenty-five per cent. of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor and the terms of the Notes will not be changed in any way as a result of the Succession Event.
  - (vi) If one or more entities directly or indirectly succeed to a portion of the Relevant Obligations of the Reference Entity by way of a Succession Event, but no entity succeeds to more than twenty-five per cent. of the Relevant Obligations of the Reference Entity and the Reference Entity ceases to exist, the entity which succeeds to the greatest percentage of Relevant Obligations (or, if two or more entities succeed to an equal percentage of Relevant Obligations, the entity from among those entities which succeeds to the greatest percentage of obligations of the Reference Entity) will be the sole Successor.

The Calculation Agent will be responsible for determining, as soon as reasonably practicable after it becomes aware of the relevant Succession Event (but no earlier than fourteen calendar days after the legally effective date of the Succession Event), and with effect from the legally effective date of the Succession Event, whether the relevant thresholds set forth above have been met, or which entity qualifies under (vi) above, as applicable. In calculating the percentages used to determine whether the relevant thresholds set forth above have been met, or which entity qualifies under (vi) above, as applicable, the Calculation Agent shall use, in respect of each



applicable Relevant Obligation included in such calculation, the amount of the liability in respect of such relevant Obligation listed in the Best Available Information.

A notice will be sent by or on behalf of the Issuer to the Noteholders evidencing the Succession Event and giving all necessary relevant indications as to the Successor(s), the Multiple Successor Notional Amount (if applicable) and the change in Reference Obligation(s).

- (b) in relation to a Sovereign Reference Entity, **Successor** means any direct or indirect successor(s) to that Reference Entity irrespective of whether such successor(s) assumes any of the obligations of such Reference Entity.

**Supranational Organisation** means any entity or organisation established by treaty or other arrangement between two or more Sovereigns or Sovereign Agencies of two or more Sovereigns and includes, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development.

**Transferable** means an obligation that is transferable to institutional investors without any contractual, statutory or regulatory restriction, provided that none of the following will be considered contractual, statutory or regulatory restrictions:

- (i) contractual, statutory or regulatory restrictions that provide for eligibility for resale pursuant to Rule 144A or Regulation S promulgated under the United States Securities Act of 1933, as amended (and any contractual, statutory or regulatory restrictions promulgated under the laws of any jurisdiction having a similar effect in relation to the eligibility for resale of an obligation); or
- (ii) restrictions on permitted investments such as statutory or regulatory investment restrictions on insurance companies and pension funds.

Unless otherwise specified in the applicable Final Terms, if the [Deliverable]\*\*[Selected]\* Obligation Characteristic Transferable is specified as Applicable in the related Final Terms, such Final Terms shall be construed as though such [Deliverable]\*\*[Selected]\* Obligation Characteristic had been specified as a [Deliverable]\*\*[Selected]\* Obligation Characteristic only with respect to [Deliverable]\*\*[Selected]\* Obligations that are not Loans (and shall only be relevant to the extent that obligations other than Loans are covered by the specified [Deliverable]\*\*[Selected]\* Obligation Category).

**Undeliverable Obligation(s)** means that part of the Specified Deliverable Obligations for which Delivery is Illegal or Impossible.

**Voting Shares** shall mean those shares or other interests that have the power to elect the board of directors or similar governing body of an entity.

**Weighted Average Quotation** means, if there are no Full Quotations available, the weighted average of firm bid quotations obtained from the Quotation Dealers, to the extent reasonably practicable, each for an amount as large as available, that in aggregate are equal to or greater than the Quotation Amount.