SOCIETE GENERALE

A French corporation with share capital of EUR 583,270,841.25
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FOURTH UPDATE TO THE 2007 REGISTRATION DOCUMENT

Registration document filed with the AMF (French Securities Regulator)
on March 6th 2007 under No. D.07-0146
Amendment to the Registration document filed with the AMF (French Securities Regulator) on March 26th 2007
under No. D.07-0146-R01
The first update was filed with the AMF (French Securities Regulator) on May 25th 2007
under No. D.07-0146-A01
The second update was filed with the AMF (French Securities Regulator) on August 31st 2007
under No. D.07-0146-A02
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Only the French version is legally binding.**

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Update of the 2007 Registration Document by chapter

Rankings: the sources for rankings are expressly provided;
otherwise, rankings are based on internal sources.

I. CHAPTER 1: HISTORY AND PROFILE OF SOCIÉTÉ GÉNÉRALE

1.1 RECENT PRESS RELEASES

1.1.1 PRESS RELEASE DATED DECEMBER 10TH 2007: SOCIÉTÉ GÉNÉRALE DECIDES TO CONSOLIDATE PACE STRUCTURED INVESTMENT VEHICLE ENSURING ITS FULL REFINANCING

"Due to current market conditions, Société Générale has extended a liquidity facility designed to fully support the liquidity requirements of PACE (Premier Asset Collateralized Entity), the sole Structured Investment Vehicle that the Group sponsors. This decision, which was approved by PACE's independent board of directors, will lead to the consolidation of 100% of PACE assets on Société Générale's balance sheet and will have an impact of around -0.05% on its Tier 1 ratio.

The Group remains confident in the underlying quality of assets acquired. As of November 30th 2007, PACE has a total asset size of USD 4.3 billion and is composed of 75% of Moody's Aaa rated assets, 13% rated Aa, 9% rated A, and 3% rated Baa. The assets include 25% US financial institutions senior debt obligations primarily rated single A- or better, and 75% asset backed securities. The asset backed securities portfolio includes 18% of AAA/Aaa rated monoline insured securities, 12% of RMBS securities (of which 9% are AAA rated RMBS with subprime underlying), 19% of CDOs (of which 9% are CDOs of small business loans, 7% are CLOs and 3% are ABS CDOs) and 26% of other ABS (student loans, CMBS, credit cards, auto loans and sundry ABS).

Société Générale also has a 103.5 million USD investment in the capital notes of PACE which, as at November end, was valued at 27.6 million USD under marked-to-market conditions. "

1.1.2 PRESS RELEASE DATED JANUARY 24TH 2008

"Société Générale Group has uncovered an exceptional fraud in a sub-section of its market activities.

The Group expects its net income for 2007 to be in the range of Euro 0.6-0.8bn*[1], including the loss resulting from this fraud and additional US residential mortgage and monoline related write-downs. The Group intends to pay a dividend for 2007 in line with its pay-out ratio target of 45%.

As a result of this fraud and in order to strengthen its capital base, the Group will launch a capital increase of Euro 5.5bn, with preferential subscription rights, which has been fully underwritten by a bank syndicate.

Losses on a fraudulent and concealed position

Société Générale Group (the "Group") has uncovered a fraud, exceptional in its size and nature: one trader, responsible for plain vanilla futures hedging on European equity market indices, had taken massive fraudulent directional positions in 2007 and 2008 beyond his limited authority. Aided by his in-depth knowledge of the control procedures resulting from his former employment in the middle-office, he managed to conceal these positions through a scheme of elaborate fictitious transactions.

There is no residual exposure in relation to these positions, which were discovered and investigated on January 19th and 20th 2008. It was decided to close these positions as quickly as practicable in the best interest of market integrity and the Group's shareholders. Given the combination of the size of the positions and the very unfavorable market conditions encountered, this fraud has a negative impact of Euro 4.9bn that the Group has decided to recognize in its 2007 pre-tax income.

The trader's positions have been reviewed and a thorough analysis of all his department's positions confirmed the isolated and exceptional nature of this fraud. The employee who has confessed to the fraud has been suspended and a dismissal procedure has been initiated. The individuals in charge of his supervision will leave the Group.

* Figure updated for the closure of the 2007 accounts: cf. paragraph 4.2

[1] Estimated unaudited net income, group share

Additional write-downs in relation to US RMBS CDOs and monoline insurers

The Group will post additional write-downs of Euro 2.05bn* in Q4 07, comprising the following:

- Euro 1.1bn in relation to US residential mortgage risk;
- Euro 550mm* in relation to exposure to US monoline insurers; and
- Euro 400mm* unallocated additional provision in relation to the above-mentioned exposures.

US residential mortgage exposure
The Group's exposure to US residential mortgage risk mainly consists of a portfolio of unhedged super senior CDO tranches of RMBS. In light of the worsening of the US residential mortgage crisis, the Group will apply new write-downs of Euro 1.1bn in Q4 07, consistent with the valuation levels of the ABX indices where they exist (see detailed assumptions and outcome in Appendices 1 to 3). The consistency of the modeling and the parameters has been reviewed by the Group's auditors.

The subprime RMBS portfolio* (Euro 550mm as of September 30th 2007), which is valued directly on the basis of market parameters, has been hedged, amortized or sold. As of end 2007, residual exposure stood at around Euro 35mm.

*Exposure to US monoline insurers**
Other assets on the Group's balance sheet benefit from credit enhancements supplied by monoline insurers. Applying the same stress test methodology to the underlying portfolio as to the assets underlying the unhedged CDO portfolios, the Group will book a write-down of Euro 500mm in Q4 07 (see Appendix 4). In addition, a write-down of Euro 50mm has been taken to eliminate the whole of its ACA-related exposure.

Estimated net income for FY 2007

Underlining the sound and diversified development strategy and business model of the last decade, the Group's other activities are expected to post good profits for 2007:

- The French Networks are expected to generate full-year revenue growth of around +4.7%* (excluding PEL/CEL provisions and Euronext capital gain) with solid net interest income and a lower cost-income ratio.
- The performance of International Retail Banking remains very strong (around 40% year-on-year net profit increase) due to the development strategy implemented in the last few years and resulting dynamic competitive positions in high growth banking markets.
- Strong performances are also expected at the Group's other businesses, in particular Financial Services (around 14% year-on-year net profit growth) and Private Banking (around 35% year-on-year net profit growth).
- Lower contribution to the Group's 2007 net income by SGAM related to the liquidity provided to its clients of dynamic money-market funds (write-downs or final losses of Euro 0.2bn in Q4 07).

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* Figure updated for the closure of the 2007 accounts: cf. paragraph 4.2

- Lastly, in Q4 07 the Corporate Centre will post capital gains from disposals of just under Euro 300mm (before tax) on its equity portfolio.

Taking into account the above, the Corporate and Investment Banking arm is expected to post an after tax loss of around Euro 2.3bn in 2007, and the Group itself a net profit of Euro 0.6-0.8bn for 2007.

The Board of Directors, which met on January 23rd 2008 to review the 2007 estimated financial data, rejected Daniel Bouton's offer to resign and reaffirmed its confidence in him and in the Group's Management. The Board has asked him to lead the Group back on track for profitable growth. A committee comprising the Chairmen of the Nomination Committee and the Audit Committee as well as an independent director, will be responsible for monitoring recovery.

The Group will publish its full-year results 2007 results on February 21st 2008.

Euro 5.5bn capital increase

In order to strengthen the Group's capital position, the Board of Directors has decided to launch a capital increase with preferential subscription rights of Euro 5.5bn, which has been fully underwritten by JPMorgan and Morgan Stanley. The capital increase is expected to raise the Group's Tier One ratio (Basel 1) to 8.0% pro-forma for the acquisition of Rosbank.

The Board of Directors also intends to recommend a dividend in respect of 2007 in line with Group's 45% pay-out target.

The Board of Directors and the Management are fully confident in the underlying earnings power and franchise of Société Générale Group and all its business divisions.

Important notice

Please note that all figures contained in this press release are unaudited and are subject to finalization of the financial statements for the relevant dates and periods.

Information for the public

A prospectus to be approved by the *Autorité des Marchés Financiers* or AMF (French Securities Regulator) will be available free of charge from Société Générale – 17, cours de Valmy – 92972 Paris La Défense, or from any financial intermediary and on the websites of Société Générale (www.socgen.com or www.ir.socgen.com) and the AMF (www.amf-france.org). The prospectus will consists of the registration document filed with the AMF on March 6th 2007 under No. D.07-0146, its addendum filed with the AMF on March 26th 2007 under No. D.07-0146-R01 and the three updates filed on May 25th 2007, August 31st 2007 and November 13th 2007 under Nos. D.07-0146-A01, D.07-0146-A02 and No. D.07-0146-A03 respectively, as well as an offering circular ("note d'opération").

Société Générale draws investors' attention to the risk factors section in the prospectus approved by the AMF.

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Appendices

Appendix 1: Cumulative losses on CDO subprime assets and sensitivity analysis

	2005	2006	2007	Impact on NBI
Assumptions for cumulative Q3 07 losses	9,1%	14,6%	14,5%	EUR -167m for 9M 07
Assumptions for cumulative Q4 07 losses	9,0%	23,0%	25,0%	EUR -1,250m for FY 2007

Sensitivity	Impact on NBI
+ 10% cumulative losses for each year of production	EUR -431m (1)

(1) : Impact of average exchange rate in Q4 07

Total US residential real estate loss assumptions

- Approximately USD 200bn in October 2007
- Approximately USD 350bn in January 2008

Appendix 2: Depreciation rate of underlying subprime RMBS

	Depreciation rate credit stress test	Depreciation rate based on ABX indices
Production 2005	-25%	NA
Production 2006 & 2007		
A and above	-62%	-57%
BBB and below	-100%	-82%

CDO tranches in CDOs have been fully written down

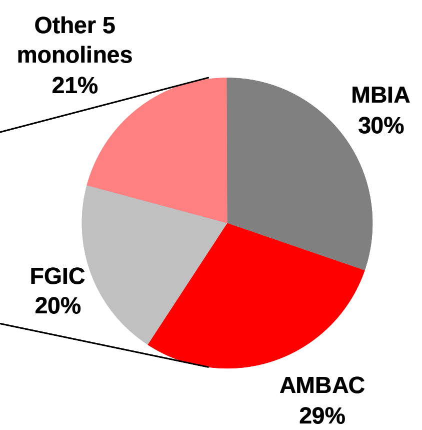
Appendix 3: Exposure at risk to US residential real estate

	CDO: AAA super senior tranches		
	portfolio # 1	portfolio # 2	portfolio # 3
Gross exposure at 31/12/07 in EURm	1 401	1 736	1 717
Attachment point	31%	15%	32%
Underlying	mezzanine	high grade	mezzanine
% of underlying subprime assets	84%	53%	73%
o.w. originated in 2005 and earlier	*53%*	*20%*	*62%*
o.w. originated in 2006	*31%*	*20%*	*6%*
o.w. originated in 2007	*1%*	*12%*	*5%*
Write-downs recorded in 2007 (1)	-458	-629	-164
% total of CDO depreciations (2)	32%	36%	9%
Net exposure at 31/12/07 in EURm (3)	955	1 116	1 554

(1) Write-down at average exchange rate for each quarter
(2) Net of hedging by subordination
(3) Exchange rate exposure at December 31st 2007

Appendix 4: Counterparty risk exposure to monolines*

	In EUR bn
Gross counterparty exposure 1 & 2	1.8
CDS bought from banks	-0.6
Net counterparty exposure	1.2
Mark-downs	-0.5
Net residual counterparty exposure	0.7



(1) Based on valuation methodologies consistent with those applied for uninsured assets
(2) Including EUR 1.35 bn gross counterparty exposure related to a EUR 7.9 bn US mortgage related nominal exposure, of which EUR 4.3 bn subprime (vintages: 3% 2007, 21% 2006 and 76% 2005 and earlier)

* Figures updated for the closure of the 2007 accounts: cf. paragraph 4.2

1.1.3 PRESS RELEASE DATED JANUARY 27TH 2008: EXPLANATORY NOTE ABOUT THE EXCEPTIONAL FRAUD

“The present document describes the arbitrage activities, the method behind the fraud, the conditions in which the fraud was uncovered, the unwinding of the fraudulent position and the measures taken with immediate effect, as revealed by Société Générale’s investigations at January 26th 2008. On January 29th, the Audit Committee will take a decision on an additional external audit.

The arbitrage activities and an explanation of the size of the nominal amounts used in the fraud.

It is not the role of Société Générale’s Equities businesses to take directional positions on the equity markets (i.e. to speculate on rises or falls). The arbitrage activities division where the trader worked is assigned to arbitrate financial instruments on European stock markets. This is a proprietary trading business which is completely independent of the Equities client businesses.

For example, these arbitrage activities involve purchasing a portfolio of financial instruments A and selling at the same time a portfolio of financial instruments B with extremely similar characteristics, but with a slightly different value. The arbitrage business generates its profits or losses from these differences in value.

Because these differences are both small and temporary, the arbitrage activities rely on a very large amount of operations involving very high total nominal amounts.

The fact that portfolios A and B have very similar characteristics and that they offset each other, means that these activities generate very little market risk.

However, these risks do exist and, as part of the development of its arbitrage activities, Société Générale has put in place a large number of controls designed to monitor the risks involved: control of operations and control of market risk linked to the changes in the prices of portfolios of financial instruments.

The exceptional fraud which we have suffered consisted of bypass these controls or making them inoperable: the trader inserted fictitious operations into portfolio B in order to give the impression that this portfolio genuinely offset portfolio A which he had purchased, when this was not the case.

These fictitious operations were registered in Société Générale’s systems but did not actually correspond to any economic reality.

The method behind the fraud

- The trader involved had been employed at the Group since 2000. He first spent five years working in different middle-offices (one of the departments which controls traders). Consequently, he had a very good understanding of all of Société Générale's processing and control procedures. In 2005, he became a trader in the arbitrage department.

  In the course of his arbitrage activity, the trader developed an initial portfolio A comprising genuine operations using financial instruments (futures) which reproduced changes in the main European stock market indices (Eurostoxx, the Dax, the FTSE, etc.).

  The financial instruments in the portfolio, which were genuine and consistent with the volumes traded by a large investment bank, were subject to daily controls and in particular margin calls with the main clearing houses. Insofar as these instruments were actually purchased and considered as such by Société Générale, the margin calls were checked and settled by or paid to the bank.

- The risks generated from commitments made by the bank are managed and controlled on a daily basis. With regard to this fraud, the financial instruments in portfolio A were in appearance offset by the fictitious operations housed in portfolio B, which meant that only a very low residual risk was visible.

  As a result, the trader was able to hide a very sizeable speculative position, which was neither consistent with nor related to his normal business activity for the bank.

  In order to ensure that these fictitious operations were not immediately identified, the trader used his years of experience in processing and controlling market operations to successively circumvent all the controls which allow the bank to check the characteristics of the operations carried out by its traders, and consequently their real existence.

  In practice, the trader combined several fraudulent methods to avoid the controls in place:
    - firstly, he ensured that the characteristics of the fictitious operations limited the chances of a control: for example he chose very specific operations with no cash movements or margin call and which did not require immediate confirmation;
    - he misappropriated the IT access codes belonging to operators in order to cancel certain operations;
    - he falsified documents allowing him to justify the entry of fictitious operations.
    - he ensured that the fictitious operations involved a different financial instrument to the one he had just cancelled, in order to increase his chances of not being controlled.

The conditions in which the fraud was uncovered

- **Friday January 18th**

  - ✓ Abnormal counterparty risk on a broker is detected several days earlier. The explanations provided by the trader result in additional controls.
  - ✓ On January 18th, the trader's superiors are informed and in turn they alert the management of the division.
  - ✓ In the afternoon of January 18th, it appears that the counterparty for the recorded operations is in fact a large bank, but the confirmation e-mail raises suspicions.
  - ✓ A team is immediately created to start investigating the situation.

- **Saturday January 19th**

  - ✓ Management cannot obtain a clear explanation from the trader.
  - ✓ The large bank in question does not recognize the operations.
  - ✓ The trader finally acknowledges committing unauthorized acts and, in particular, creating fictitious operations.
  - ✓ The investigation team starts piecing together his real position.

- **Sunday January 20th**

  - ✓ During the morning, all of the positions are identified.
  - ✓ In the early afternoon, the extent of the total exposure is known.
  - ✓ Daniel Bouton immediately informs the Governor of the Banque de France.
  - ✓ A meeting of the Audit Committee has been convened in the afternoon of Sunday January 20th to examine the estimated results for 2007 and the write-downs related to US residential mortgage assets (in particular CDOs), prior to the meeting of the Board of Directors at 18:30 on the same day.

    The Chairman informs the members of the Committee of the trader's position which has just been uncovered. He indicates that he has decided to close the position as quickly as possible and, in accordance with market regulations, to postpone all communication on this issue and on the estimated results until said position has been closed.
  - ✓ Daniel Bouton then informs the general secretary of the AMF.
  - ✓ At the Board meeting, the Chairman explains that it is impossible to communicate on the estimated results for 2007 on account of the discovery of problems in certain market activities, which could result in substantial losses.

- **Monday January 21st**

  ✓ The unwinding of the fraudulent position begins in particularly unfavorable market conditions.

- **Wednesday January 23rd**

  ✓ The unwinding of the fraudulent position is completed.

  ✓ Another Board meeting is convened on Wednesday January 23rd, the day when the position is closed, and its members are fully briefed on the facts and their repercussions.

- **Thursday January 24th**

  ✓ Before the markets open, the existence of the fraud and its repercussions are relayed to the markets. Société Générale asks for trading in its shares to be suspended.

Investigations are under way by Société Générale's General Inspection division and the Banque de France and will confirm the exact circumstances of the fraud. The police have begun an inquiry.

The unwinding of the fraudulent position

The equivalent nominal amount of the fraudulent position uncovered on Sunday January 20th was approximately 50 billion euros.

The priority was to unwind the fraudulent position as quickly as practicable, given the risk generated by its size.

The unwinding could only start on Monday January 21st and in a measured fashion so as to keep volume levels under 10%, in order to respect the markets' integrity.

Conditions in the market were very unfavorable. In the afternoon of Friday January 18th, there had been a sharp downturn in the European markets. In the night of January 20th to January 21st, there was a significant drop in the Asian markets (Hang Seng down -5.4%) before the European markets opened.

The position was unwound over three days in a controlled fashion, thus ensuring that Société Générale did not exceed around 8% of volumes traded on the relevant futures indices (EUROSTOXX, the DAX and the FTSE).

volumes of positions unwound on the Futures Indices markets (as a %)	Eurostoxx	DAX	FTSE
January 21st 2008	8.1%	7.8%	1.7%
January 22nd 2008	6.8%	5.7%	3.1%
January 23rd 2008	5.9%	6.1%	0%

The position was finally fully closed or hedged on the evening of January 23rd. Overall, movements in the market triggered by the sharp fall in the Asian markets during the night of January 20th to January 21st resulted in a final total loss of 4.9 billion euros.

Our statutory auditors and the relevant regulatory authorities were informed of the details of the initial positions and of the unwinding operations.

On January 26th 2008, the regulatory authorities were informed of the analysis of the methods used to perpetrate the fraud and the corrective measures taken.

Measures taken with immediate effect

Over the last week, teams at Société Générale have reviewed all the operations which took place from the trader’s workstation and any transactions bearing a possible resemblance to the fraudulent operations discovered. Moreover, the futures position has been checked against our counterparty (clearer). This review has strengthened our conviction that all the fictitious operations had been identified as of January 20th.

Specific control procedures have been implemented so that the techniques devised by the trader to avoid controls can no longer be applied. The regulators have been informed of these changes and of the dates of their deployment.

Lastly, beyond these specific measures, additional controls will be launched. Significant human resources will be mobilized for this project, with the support of external specialists in fraud techniques. It will be supervised by the Audit Committee. “

1.1.4 PRESS RELEASE FROM THE BOARD OF DIRECTORS DATED JANUARY 30TH 2008

“At its meeting of January 30th 2008, Société Générale’s Board of Directors decided to create a Special Committee composed exclusively of independent directors, whose mission will be to ensure:

(i) that the causes and sizes of the trading losses announced by the bank have been completely identified ;

(ii) that measures have been, or will be, put in place to prevent the reoccurrence of incidents of the same nature;

(iii) that the information communicated by the bank faithfully reflects the findings of the inquiry ;

(iv) that management of the situation is conducted in the best interests of the company, its shareholders, clients and employees.

In order to successfully carry out its mission, the Special Committee has been given extensive powers.

The Special Committee, which will work in close collaboration with the Audit Committee, may have recourse to the services of any outside advisor or expert; in this regard, the Special Committee has decided to call upon the services of the audit firm PWC to assist it in its assignment.

The Special Committee is composed of Jean Azema, Jean-Martin Folz and Antoine Jeancourt-Galignani ; it is chaired by Jean-Martin Folz.

It will report to the Board of Directors on the progress of its mission and will submit to the Board its findings, conclusions and recommendations.”

1.1.5 EXTRACT OF PRESS RELEASE DATED FEBRUARY 3RD 2008 : A SUMMARY OF SOCIETE GENERALE'S POSITION IN THE "SENTIER 2" AFFAIR

"The opening hearing of the "Sentier 2" affair is taking place in Paris on February 4th. 148 natural persons and four banks are appearing at the Criminal Court, for money laundering. The hearings concerning Société Générale will take place on May 28th and 29th. The events relevant to Société Générale on which this trial is based occurred between 1998 and 2001.

Société Générale, its Chairman and three bank officers have been summoned to appear at the Criminal Court by the investigating magistrate even though the public prosecutor in his summing-up on July 4th 2006 specifically called for the case against them to be dismissed.

The affair concerns Société Générale's role in the network of cheques used by money-laundering networks and which were uncovered during the "Sentier 1" affair when Société Générale, which joined the public prosecutor's office as an injured party, fell victim of fraud carried out by organized gangs in Paris' Sentier textile district.

Like other banks operating in France, Société Générale is now appearing at the Criminal Court, either because Société Générale paid these cheques between 1998 and 2001, or because the Group presented them for collection to other French banks on behalf of a foreign bank (correspondent banking).

Société Générale would like to restate its position in this affair:

- The bank has always rigorously complied with its legal obligations and market standards recognized by the supervisory authorities with regard to processing cheques. As such, its behavior is identical to the other large French and international banks.
- The fact that Société Générale did not systematically control the processed cheques and did not detect and refuse cheques which were considered to be fraudulent does cannot constitute a charge against the bank. At that time, there were no legal or regulatory obligations to check cheques as part of the fight against money laundering. Such controls by banks were only enacted in April 2002.
- The information at the bank's disposal did not allow it to detect most of the cheques that the investigating magistrate has qualified as fraudulent, nor a fortiori to identify the money-laundering networks using the cheques or the alleged money launderers. At no time did the investigators or the regulatory authorities provide any of such information, nor did they ask the bank to put in place any specific control procedures.
- Neither the bank, nor its employees have knowingly participated in any money-laundering transaction."

1.1.6 FEBRUARY 4TH 2008 PRESS RELEASE FOLLOWING PUBLICATION OF THE REPORT BY MRS. CHRISTINE LAGARDE, MINISTER OF THE ECONOMY, FINANCE AND EMPLOYMENT, CONCERNING THE LESSONS TO BE DRAWN FROM RECENT EVENTS AT SOCIETE GENERALE

“Société Générale’s management has no comment to make on the sections of the report pertaining to the facts.

The report does not call into question the systems used to manage market risk.

Concerning the controls which were successively circumvented by the fraud, the measures which would have enabled its detection and prevention have already been implemented or will be put into place shortly.“

1.2 EXCEPTIONAL FRAUD (INFORMATION AT FEBRUARY 9TH 2008)

1.2.1 INTERNAL CONTROL SYSTEM AND MANAGEMENT OF OPERATING RISKS

Société Générale Group is equipped with an **internal control** system made up of two independent aspects: **permanent control**, which is carried out by dedicated teams and at the level of operating activities, and **periodic control**, for which dedicated teams are responsible.

- The **Group's Audit function** (through the General Inspection and internal audit departments) brings together all the **periodic control** teams whose main mission is, through an objective, rigorous and unbiased approach, to assess transaction compliance, the level of risk effectively incurred, respect of procedures and the efficiency and appropriate nature of the permanent control system.

- The **Group's Risk function** is one of the players in the **permanent control** system. With around 2,700 employees dedicated entirely to risk management (700 in the Risk Department of Société Générale, the legal entity and 2,000 in the Group's different divisions and subsidiaries), the Risk function is responsible for the implementation of the risk control system and consistent, consolidated risk monitoring at Group level. With regard to Corporate and Investment Banking (SG CIB), it is responsible, in particular, for monitoring counterparty risk (approval, definition and monitoring of the limit for each counterparty) and market risk definition and daily monitoring of the limits of each activity).

- Within SG CIB, internal control is also based on these two components (permanent and periodic control). Permanent control is first and foremost the responsibility of operating staff through Permanent Supervision (day-to-day security and formal supervision). Particularly for the Equity and Index-based Derivatives business:
  - Front office managers control the risks, the positions and the P&L of the traders under their supervision.
  - Through their independence from the front office teams, staff in the support functions, middle office and back office, have the task of ensuring the quality and objectivity of accounting and middle/back office data. In particular, they confirm that transactions conducted in the different middle/back office applications are correctly transcribed and comply with regulatory, accounting consistency and reconciliation procedures.
  - The cross-functional players, located in the support functions, are responsible for:
    - Implementation of Permanent Supervision: daily, formalized reporting of the controls carried out by operating staff, second level control process, systematic month-end review of processes;
    - Periodic Control: monitoring of the Permanent Supervision system and performing spot checks.

This methodology is consistent with the "best practices for the **management and supervision of operating risks**" published by the Basel Committee in 2003 and is in line with the new regulatory solvency ratio requirements to be implemented on January 1st 2008. In 2007, the Banking Commission reviewed the internal control system developed by Société Générale and as a result authorized the Group to use the most advanced method specified by the Basel II agreements (the AMA or Advanced

Measurement Approach) for the calculation of its capital requirement in relation to operating risk.

The implementation of the AMA system, comprising risk and control maps, the collection of internal loss data and analyses of unfavorable scenarios have helped in the definition and deployment of operating risk management tools. However, they still need to be better incorporated into the management and measurement of the entities' performance in order to better identify and therefore further improve the Group's risk profile.

1.2.2 DESCRIPTION OF THE FRAUD AND MEASURES TAKEN

Exceptional loss on a fraudulent and concealed position

In January 2008, the Group uncovered an exceptional fraud in both its scale and nature: a trader, in charge of arbitrage activities on financial instruments involving European stock market indexes, took fraudulent directional positions during 2007 and in early 2008 that greatly exceeded the individual limits that had been allocated to him. Certain unusual transactions had also been carried out in 2005 and 2006, albeit on a "sporadic" or "marginal" basis (Lagarde report). They are currently being investigated through the ongoing audits and legal proceedings. This trader, whose unauthorized activity consisted of the concurrent management of two portfolios similar in size and composition, using one to hedge the other, conducted hedges using fictitious transactions, thus concealing his losses and gains. He was able to conceal his positions through a series of fictitious transactions of various sorts, sometimes by using his colleagues' access rights to information systems. In order to prevent the immediate identification of these fictitious transactions, the trader used his years of experience acquired in departments for the processing and control of trading activities to circumvent the controls enabling the Bank to verify the details and therefore the real existence of the transactions initiated by its traders.

On January 18th 2008, an alert on the positions taken triggered an internal investigation. On January 20th 2008, once the scale of the exposure had been identified, Société Générale's Chairman notified the Board of Directors' Audit Committee as well as the Bank of France and the *Autorité des Marchés Financiers* (French Securities Regulator). The positions were unwound between January 21st and 23rd, in a manner designed to respect the integrity of the markets and the interests of shareholders. The unwinding of transactions on the EUROSTOXX, DAX and FTSE involved volumes that represented a maximum of 8.1% of the daily trading volumes in these markets. Given the size of these positions and the particularly unfavorable market conditions at the time, this fraud has ultimately had a net negative impact of EUR 4.9 billion on the Group's 2007 operating income.

Exceptional nature of the loss

Since 2003, the Group has kept a record of unit internal operating losses in excess of EUR 10k (EUR 25k for Corporate and Investment Banking) covering virtually all of its entities, both in France and abroad. This database has been used to analyze losses (by category of event, activity, geographical region) and monitor their trends as well as the corrective action plans proposed. After a peak of EUR 300m in 2003, the total annual cost of operating risk represented, excluding the exceptional loss mentioned above, around EUR 225m over the 2004-2007 period.

Measures taken – Impact on the control environment

During a hearing before the Senate's Finance Commission on January 30th 2008, the Governor of the Bank of France stated that "the initial information available suggested that Société Générale's system of internal control had not functioned as it should have and that those that had functioned had not always been appropriately monitored".

Mrs. Lagarde's February 4th 2008 Report to the Prime Minister on recent events at Société Générale identified the eight areas below that are likely to have been particularly exposed:

- monitoring of traders' nominal outstandings (as opposed to the monitoring of net positions which, by definition, only reveals a limited market risk): the absence of this monitoring rendered possible the build up in a little over two weeks of a position of EUR 50bn in January 2008;
- monitoring of cash flows, margin calls and payments, guarantee deposits, results achieved;
- extensive analysis of and follow up on requests for information that the Eurex clearing house submitted to the Bank in November 2007;
- monitoring of transaction cancellations and changes originating from a single trader;
- confirmation of transactions with all the counterparties;
- compliance with the Chinese Wall between the front and back offices and cross-functional organization of the middle and back offices;
- IT systems' security and protection of access codes;
- monitoring of unusual behavior (e.g. absence of vacations).

Société Générale has not commented on the points other than to note that the Report does not call into question its risk measurement and management systems. Société Générale has indicated that all of the points mentioned are being analyzed as part of the audits in progress.

This trader's positions have been reviewed and a detailed analysis of all positions within his department has been made, which has identified no similar situation. The employee, who has acknowledged these facts, has been relieved of his duties and a dismissal procedure has been initiated. In addition, the trader's direct line managers have been suspended, pending the results of the current audits and investigations, which will enable Société Générale to determine whether the trader acted alone or in concert with others, within or outside the Group. It would appear that an employee of a brokerage company, a subsidiary of Société Générale Group, who was used to carry out the trader's transactions and to offset his positions, had been informed by the trader some time ago of the large positions he had taken and of the requests for information by Eurex.

Specific control procedures have been defined in order to prevent any further use of the techniques devised by this trader to circumvent the control procedures. Some measures are being implemented immediately. Other, more structural, measures will be implemented in the short-term. These changes, together with their timetable, have been communicated to supervisors.

An action plan has been launched to prevent any similar situation. The plan is as follows:

- The measures that have already been implemented concern the scope of the fraud. They included a review of the trader's transactions and any other transactions exhibiting similar characteristics.

- A program to improve IT security is underway (frequent changing of passwords, access checking). In the coming months, a biometric identity control system will be introduced.

- The management of alert indicators has been reformed (control and limits of gross nominal amounts, supervision of cancellations, transactions with deferred start, ongoing confirmation with internal counterparties, control of cash flows, more rigorous monitoring of holidays and unusual behavior, alert distribution list).

- Plans already underway to reorganize relations between the middle and front offices will continue. The middle office's organizational structure will be reformed and a department responsible for transaction security, and independent of the front and back office chains, will be set up. This will include a team responsible for seeking out fraudulent transactions, notably those related to malicious behavior. Lastly, fraud risk training and control resources will be stepped up.

These developments are in keeping with those already under way. The resources of SG CIB's back and middle offices have increased from 55% of the workforce in 2002 to 62% today.

The action plan described above has been prepared on the basis of internal audits carried out during the period immediately after the discovery of the fraud. The internal audit is still ongoing. Moreover, other audits and investigations, notably by the Banking Commission, are in progress, which will enable Société Générale to reinforce and improve its internal control systems and procedures if weaknesses are identified.

Establishment of a Special Committee

On January 30th 2008, the Board of Directors set up a Special Committee of independent directors responsible primarily for ensuring:

- that the causes and amounts of the trading losses announced by the bank have been completely identified ;
- that measures have been, or are, put in place to prevent the reoccurrence of incidents of the same nature;
- that the bank’s public disclosure faithfully reflects the findings of the investigations;
- that the situation is managed in the best interests of the company, its shareholders, clients and employees.

This Committee will be assisted in its task by Price Waterhouse Coopers. The Chairman of the Special Committee will provide an update on the situation at the Board of Directors' meeting on February 20th 2008 based on the state of progress of the ongoing investigations.

1.2.3 LEGAL OR ADMINISTRATIVE CONSEQUENCES OF THE EXCEPTIONAL FRAUD

Following its discovery of the exceptional fraud, Société Générale filed a complaint. An inquiry has been launched and the trader has been indicted for forgery, use of forgeries, fraudulent access into an IT system and breach of trust. Société Générale has acted jointly with the public prosecutor.

The Banking Commission has launched an investigation. The AMF is conducting an inquiry into the financial information and the market for Société Générale shares.

In the United States, the Brooklyn, New York district attorney, jointly with the SEC and the CFTC, has launched an investigation into Société Générale's activities to unwind the positions.

A shareholder has summoned Société Générale before the Paris Criminal Court alleging faults committed by Société Générale that have allegedly devalued its share price.

The proceedings and investigations mentioned above are those that Société Générale is aware of at the date of this updated Registration Document in connection with the exceptional fraud. Société Générale is not able to predict the outcome and potential consequences of these proceedings and investigations or other proceedings or investigations that could be opened in this respect.

II. Chapter 2: Group Strategy and businesses

2.1 Investments carried out

2.1.1 Extract of press release dated December 3rd 2007: Société Générale Securities Services completes the acquisition of Pioneer Investments Fund Administration Services in Germany

“Société Générale Securities Services (SGSS) has completed its acquisition of the fund administration and middle and back office services of Pioneer Investments in Germany, a subsidiary of Pioneer Global Asset Management S.p.A. (PGAM).

The entity resulting from this acquisition, named Société Générale Securities Services Kapitalanlagegesellschaft mbH, will have around 180 employees. Clients for the activities acquired by SGSS in Munich include Pioneer Investments and other German fund managers. The related funds under administration amount to EUR 52 billion as at September 30th 2007.

This acquisition confirms SGSS’ position as a major player in the provision of fund administration services in Germany, ranking 3rd European global custodian with EUR 2,585 billion in assets under custody as at September 30th 2007 and EUR 451 billion in funds under administration (including pro forma figures for Pioneer Investments).”

2.1.2 Press release dated December 3rd 2007: Société Générale completes the acquisition of Banco Cacique

“On November 30th 2007, Société Générale completed the acquisition announced on February 26th 2007 of 100% of Banco Cacique, following approval by the Brazilian authorities.

Banco Cacique, an important player in the field of consumer loans headquartered in Sao Paulo, employs 2,300 people in 20 states throughout the Brazilian territory.

Banco Cacique possesses an extensive network of 190 branches and 2,500 prescriptors to serve a client base of 900,000 individual customers and 350,000 active credit cards. Via its various credit activities, new lending for Banco Cacique reached USD 920M, and its portfolio of outstandings stood at USD 580M as of October 31st 2007.

This acquisition is part of the development strategy of the Specialized Financial Services division in Brazil, which also comprises ALD Automotive (long-term vehicle rental). It reinforces the activities of Société Générale Consumer Finance in the country, previously based around Banco Pecunia, acquired in March, 2006. Finally, it strengthens the presence of Société Générale Group in Brazil: Banco Société Générale Brasil (corporate and investment banking) and Fimat (brokerage).”

2.1.3 EXTRACT OF PRESS RELEASE DATED JANUARY 2ND 2008: OPERATIONAL LAUNCH OF NEWEDGE, BROKERAGE SUBSIDIARY OF SOCIÉTÉ GÉNÉRALE AND CALYON

"Société Générale and Calyon have today concluded the merger of the brokerage activities of their respective subsidiaries, Fimat and Calyon Financial, which was announced on August 8th 2007. This makes effective the operational launch of Newedge, a world leader in the execution and clearing of listed derivative products. The objective of both shareholders is to arrange an IPO for the new entity within 18 to 24 months.

Newedge offers clients a full range of clearing and execution services covering options and futures contracts for financial products and commodities, as well as for money market instruments, bonds, FX, equities, and commodities on OTC markets. Newedge also provides a range of value added services, including prime brokerage, asset financing, an electronic platform for trading and order routing, cross margining, and the processing and centralized reporting of client portfolios."

2.2 ANTICIPATED INVESTMENTS

2.2.1 EXTRACT OF PRESS RELEASE DATED NOVEMBER 23RD 2007: SG PRIVATE BANKING TO SET UP IN CANADA WITH THE ACQUISITION OF CANADIAN WEALTH MANAGEMENT

"SG Private Banking, the wealth management arm of the Société Générale Group, plans to establish its presence in Canada following an agreement to acquire 100% of Canadian Wealth Management (CWM Group Inc.). The acquisition, subject to regulatory approval, is expected to be finalized in January 2008.

Having been established in Calgary for many years, CWM Group Inc. enjoys a solid reputation in its market and manages around CAD $ 650 million. Its wealth management business, which is built around highly personalized client consultation, will benefit from SG Private Banking's international expertise, particularly in structured products and alternative investments, allowing it to significantly expand its services offering and meet the increasingly sophisticated demands of its clients.

Beyond the opportunity to expand its client portfolio, this acquisition reflects SG Private Banking's ambitions to further its international expansion. More broadly, it will strengthen Société Générale Group's business in Canada, where it is already present through its corporate and investment banking activities."

2.2.2 EXTRACT OF PRESS RELEASE DATED DECEMBER 20TH 2007: SOCIÉTÉ GÉNÉRALE EXERCISES ITS CALL OPTION ON ROSBANK

"Following the acquisition of 20% less one share[1] in Rosbank for USD 634 million, and after having received all the necessary regulatory approvals from the Central Bank of Russia and the Federal Antimonopoly Service, Société Générale has decided to exercise its call option on Rosbank at the price of USD 1,700 million. Société Générale will thereby increase its stake to 50% + 1 share by mid-February 2008 hence taking control of Rosbank.

The exercise of the option will trigger a mandatory offer to current minority shareholders which will lead to the increase of Société Générale's stake in Rosbank up to 57.8% by the end of 1st half 2008. The total price for a 57.8% stake in Rosbank should amount to USD 2,775 million, which represents an adjusted[2] P/BV multiple of around 3.0x as of June 30th 2007. This transaction will have an impact of around -0.35% on Société Générale Tier One ratio.

The Group intends to continue its successful relationship with Interros which should remain a significant minority shareholder of Rosbank in the medium term.

Rosbank is one of the leading players in the Russian banking market with 3 million individual, 60,000 SME and 7,000 corporate clients. The bank operates through c.600 branches which makes it the largest private bank branch network in the country. Its

[1] Acquired in two stages in 2006: June 2006, 10% acquired for USD 317million; September 2006, 10% - 1 share acquired for USD 317million

[2] Calculated on the basis of a consolidated shareholders' equity, excluding minorities, of RUR 31,692m as at June 30th 2007 plus the capital increase completed at the end of August 2007 of RUR 6,625m

network covers more than 80% of the Russian territory with a presence in all the large urban centers as well as in the fast growing regions of Siberia and the Far East. Since 2004, it has grown faster than the market, with loans and assets increasing by 40% per year and 26% per year respectively.

This acquisition confirms the position of Société Générale as one of the main banking players in Russia, a market which experiences strong growth of banking assets (loans +37% in 9m 2007, deposits +24% in 9m 2007)[1]. Société Générale is today present on the Russian market in retail financial services (through BSGV, Delta Credit and Rusfinance) with close to 10,000 employees serving over 1.5 million clients and in corporate and investment banking activities."

[1] According to Central Bank of Russia data

III. Chapter 5: Corporate Governance

3.1 Work of the Board of Directors and its Committees in early 2008 relating to the exceptional events

The Accounts Committee met on Sunday afternoon, January 20th 2008, to examine the 2007 estimated results and the write-downs to be made in the accounts in respect of products having US mortgage-secured debts as underlying assets (notably CDOs), in light of the Board of Directors' meeting convened the same day at 6:30pm.

The Chairman informed the Committee members of the discovery that had just been made regarding the position of a trader. He explained that he had decided to close the position as quickly as possible and, in accordance with market regulations, to postpone any communication on the discovery and the estimated results until the closure of said position.

At the Board of Directors' meeting of January 20th 2008, the Chairman explained that it was not possible to provide information on the 2007 estimated results given the discovery of problems in certain market activities which could lead to substantial losses.

The Board met again on Wednesday, January 23rd, the date the position was closed and when it was fully informed of the facts and their consequences.

It reviewed the estimated financial information for the 2007 financial year, rejected Daniel Bouton's offer to resign and reiterated its trust in him and the management team. The Board asked him to put the Group back on the path of profitable growth.

The Board meeting of January 23rd decided to launch a EUR 5.5 billion capital increase with preferential subscription rights. This operation will be led by JP Morgan, Morgan Stanley and Société Générale Corporate and Investment Banking and will be subject to a firm underwriting (*garantie de bonne fin*) as per article L.225-145 of the French Commercial Code. The capital increase will take the Tier One ratio (Basel 1) to 8.0%, taking into account the Rosbank acquisition.

The Board of Directors met on February 6th to examine the 2007 estimated financial data with a view to embarking on the capital increase announced on January 24th 2008.

Lastly, on February 8th 2008, the Board voted for a capital increase maintaining preferential subscription rights, which overrides the delegation awarded to the Chairman on January 23rd 2008.

3.2 STATEMENT OF MR. JEAN-MARTIN FOLZ (JANUARY 30TH 2008)

“The Board of Directors of Société Générale met on January 30th. It decided to form a special committee of independent directors comprising Jean AZÉMA, Antoine JEANCOURT-GALIGNANI and Jean-Martin FOLZ. I have been appointed Chairman of this committee and my statements are made in this capacity.

It is the role of the committee to ensure that the independent inquiry which has been launched is thorough, that it is conducted according to the relevant audit norms, that the mechanisms behind the fraud are brought to light and that all necessary conclusions are made; the committee will ensure that the information communicated by the bank faithfully reflects the findings of the inquiry.

The committee will also ensure that management of the situation is conducted in the best interests of the company, its clients, its shareholders and its employees.

In this respect, I would like to return to the situation of the executive officers.

The Chairman, Daniel BOUTON and the Deputy Chief Executive Officer, Philippe CITERNE have assumed their responsibilities from the very outset of this crisis: they tendered their resignation to the Board of Directors.

The Board of Directors has also assumed its responsibilities: it has unanimously requested Daniel BOUTON and Philippe CITERNE to continue with their duties. It has today confirmed its trust in them.

I will speak again on behalf of the Special Committee according to the development of our investigation and in any event after the Board of Directors' meeting on February 20th.

Thank you very much."

IV. CHAPTER 10: FINANCIAL INFORMATION

As disclosed in Chapter 1.2, the Group uncovered unauthorized and concealed trading activities. The interim financial statements and related Group management report as of and for the six-month period ended June 30th 2007, the quarterly results as of and for the three-month and nine-month periods ended March 31st 2007 and September 30th 2007, together with the related Group management comments, are incorporated by reference as originally issued and do not reflect the potential accounting impact of eliminating such unauthorized activities. This information which is included respectively in the supplements to the 2007 Annual Repot submitted to the AMF under No. D.07-0146-A01 on May 25th 2007, No. D.07-0146-A02 on August 31st 2007, and No. D.07-0146-A03 on November 13th 2007, as well as the statutory auditors' review report on the June 30th 2007 interim consolidated financial statements cannot be relied upon without due consideration of the matter described above.

4.1 NOTE ON 2007 UNAUDITED ESTIMATED FINANCIAL DATA

PROCESS FOR PREPARING 2007 UNAUDITED ESTIMATED FINANCIAL DATA

The Group's estimated financial data relating to the financial year ended December 31st 2007 have been prepared using a process similar to that usually adopted for the preparation of the Group's consolidated financial statements. This data was examined at Société Générale's Board of Directors' meeting on February 6th 2008. As a result of the uncovering of unauthorized and concealed activities, as indicated in chapter 1.2, Corporate and Investment Banking's activities are currently the subject of various internal and external investigations that could reveal new evidence that would need to be taken into consideration.

Estimated consolidated financial data have been prepared by applying accounting principles and methods in accordance with IFRS, as adopted in the European Union on December 31st 2007.

Certain amounts booked in the consolidated financial statements reflect estimates and assumptions made by the Management, in particular regarding the fair value of financial instruments and goodwill, intangible fixed assets, impairment of assets and provisions. Definitive future results may differ from these estimates.

These accounting principles and methods are consistent with those used by the Group to prepare the consolidated financial statements for the financial year ended December 31st 2006 and detailed in Note 1 "Significant accounting principles for the consolidated accounts" in respect of the consolidated financial statements for the 2006 financial year, with the exception of the application by the Group from January 1st 2007 of new IFRS standards and interpretations of IFRIC as adopted in the European Union on December 31st 2007. These are as follows:

- IFRS 7 Financial instruments: information to be provided, standard aimed exclusively at financial information and that does not change the measurement and recognition of financial instruments.
- Amendment to IAS 1, Presentation of financial statements, which requires additional quantitative and qualitative information on the Group's capital.

- IFRIC 10, Interim financial reporting and impairment, which specifies that the provisions of IAS 36 (Impairment of assets) and IAS 39 (Financial instruments: recognition and impairment) prevail over the provisions of IAS 34, Interim financial reporting for impairments relating to goodwill and equity instruments classified as financial assets available for sale.
- IFRIC 11 IFRS 2 – Group and treasury share transactions, which specifies the accounting treatment, in the individual or separate financial statements of each entity in a group that receives the services of beneficiaries, of transactions for payments based on shares that involve two or more entities of the same group (parent company or other entity of the same group).

The application of these new standards and interpretations has no significant impact on the balance sheet and income statement. However, the application of IFRS 7 and the amendment to IAS 1 will enhance the information presented in the notes to the final consolidated financial statements for the 2007 financial year.

In 2007, the Group also continued to use the provisions of IAS 39, as adopted in the European Union, relating to the application of fair-value macro hedge accounting (the IAS 39 "carve out").

These accounting principles and methods are consistent with those that will be applied for the preparation of the final consolidated financial statements for the 2007 financial year which will be approved by the Board of Directors on February 20th 2008.

The estimated financial data have been prepared using estimates covering the following items in particular:

- <u>Valuation of CDOs having US mortgage sector risks as underlyings</u>

  The valuation of unhedged CDO tranches continued to be made under a model aimed at valuing the underlying assets on the basis of parameters covering default, loss in the event of default, early redemption rate and default horizon. The results obtained through this model have been supplemented by an approach designed to take account of the illiquidity of the relevant tranches. Moreover, the valuations obtained are consistent with the valuation levels of ABX indexes at December 31st 2007 where the comparison to the underlying is appropriate. Specific, detailed information relating to the valuation of these instruments can be found in the "Comments on estimated financial data" section of this document.

  At December 31st 2007, total write-downs amounted to EUR -1,250 million recorded in the income statement under net banking income.

- <u>Exposure to US monoline insurers</u>

  The relevant exposures are included under financial assets at fair value through profit or loss. The fair value of the Group's exposures to monoline insurers that have granted credit enhancements on assets notably including underlying US real estate takes account of the deterioration in the estimated counterparty risk on these players.

  These factors led the Group to record write-downs in 2007 totaling EUR -900 million recorded in the income statement under net banking income. The amount of these write-downs has been based on an analysis of each of the insured assets (under the assumption of immediate default by all monoline insurers that insure these assets), notably consistent with our risk valuation models used for the underlying assets of unhedged CDO portfolios with an underlying US real estate, and was set on the basis of the management's best estimates. The Group has also hedged its entire exposure to the ACA company for an amount of EUR -47 million. Specific detailed information relating to the valuation of these instruments can be found in the "Comments on 2007 unaudited estimated financial data" section of this document.

- <u>Changes in Société Générale's own credit risk on financial liabilities estimated at fair value</u>

  In the process of preparing the estimated financial data, the effects of changes in the Group's own credit risk have been reflected in the valuation, at December 31st 2007, of financial liabilities at fair value through profit or loss (essentially EMTNs issued). The deterioration in the Group's own credit risk led, at end-2007, to a negative adjustment of the fair value of these liabilities whose counterparty was recorded in the income statement, under net banking income, for EUR +242 million.

- <u>Net loss on unauthorized and concealed market activities</u>

  On January 19th and 20th 2008, the Group uncovered unauthorized and concealed trading activities of an exceptional scale involving directional positions taken during 2007 and at the beginning of 2008 by a trader responsible for trading on plain vanilla derivative instruments based on European stock market indices. The identification and analysis of these positions on January 19th and 20th 2008 prompted the Group to close them as quickly as possible while respecting market integrity. The analysis of these unauthorized activities established, before the closing of the accounts for the financial year ended December 31st 2007, that the mechanisms used had been mainly implemented throughout the 2007 financial year and continued until their discovery in January 2008.

  The application of the provisions of IAS 10, Events after the balance sheet date, and IAS 39, Financial Instruments: Recognition and measurement, for the accounting of transactions relating to these unauthorized activities and their unwinding would have led to recognizing a pre-tax gain of EUR +1,471 million in consolidated income for the 2007 financial year and only presenting the pre-tax loss of EUR -6,382 million ultimately incurred by the Group in January 2008 in the note to the 2007 consolidated financial statements.

  However, for the information of its shareholders and the public, the Group considered that this presentation was inconsistent with the objective of the financial statements described in the framework of IFRS standards and that for the purpose of a fair presentation of its financial situation at December 31st 2007, it was more appropriate to record all the financial consequences of the unwinding of these unauthorized activities under a separate caption in consolidated income for the 2007 financial year.

  To this end and in accordance with the provisions of paragraphs 17 and 18 of IAS 1, Presentation of the financial statements, the Group decided to depart from the provisions of IAS 10, Events after the balance sheet date, and IAS 37, Provisions, contingent liabilities and contingent assets, by booking in estimated consolidated income for the 2007 financial year a provision for the total cost of the unauthorized activities.

The total net loss related to the unwinding of the directional positions pursuant to these unauthorized activities, as presented in estimated consolidated income for the 2007 financial year, amounts to EUR -4,911 million before tax. The loss is presented under a separate caption of the consolidated income statement entitled "Net loss on unauthorized and concealed market activities".

For the purpose of estimating Group net income, the loss thus recognized in this way has been considered as tax deductible. However, the loss covered by the provision mentioned in the previous paragraph will be deducted in the 2008 financial year tax return. As a result and on the basis of this provision, a deferred tax asset of EUR 2,197 million has been recorded in the estimated results for the 2007 financial year. This tax position is based on both tax law and relevant jurisprudence and has been supported by the advice received from tax lawyers.

4.2 COMMENTS ON 2007 UNAUDITED ESTIMATED FINANCIAL DATA

DISCLAIMER

The comments below relate to the unaudited estimated consolidated results for 2007. The 2006 data (unless otherwise stated) correspond to the data included in the 2007 registration document (relating to the 2006 financial year). Unless otherwise indicated, the changes are at constant structure.

In an environment of financial crisis, the Group has benefited from a robust platform of activities in France and the increasing importance of growth drivers to produce resilient revenues. Despite significant losses and write-downs associated with the US mortgage crisis and the counterparty risks on monoline insurers recorded by Corporate and Investment Banking, the liquidity crisis' effects on Asset Management results, and lastly, an exceptional fraud-related loss of EUR -4,911 million, the Group remains profitable: it has posted Group net income of EUR 947 million for 2007.

GROUP

In millions of euros	2007 (e)	2006	Change
Net banking income	21,923	22,417	**-2.2%**
Operating expenses	(14,305)	(13,703)	**+4.4%**
Gross operating income	**7,618**	**8,714**	**-12.6%**
Net allocation to provisions	(905)	(679)	**+33.3%**
Operating income excluding net loss on unauthorized and concealed trading activities	**6,713**	**8,035**	**-16.5%**
Net loss on unauthorized and concealed trading activities	(4,911)	0	**NM**
Operating income including net loss on unauthorized and concealed trading activities	**1,802**	**8,035**	**-77.6%**
Net income from companies accounted for by the equity method	44	18	**NM**
Net income from other assets	40	43	**-7.0%**
Impairment losses on goodwill	0	(18)	**NM**
Income tax	(282)	(2,293)	**-87.7%**
Net income before minority interests	1,604	5,785	**-72.3%**
Minority interests	657	564	**+16.5%**
Net income	**947**	**5,221**	**-81.9%**
Cost/income ratio	65.3%	61.1%	
Average allocated capital	23,683	20,107	**+17.8%**
ROE after tax	**3.6%**	**25.8%**	
Tier-one ratio	**6.6%**	**7.8%**	

(e): estimated

The Group's net banking income was down -2.2% vs. 2006, at EUR 21,923 million. The French Networks have achieved solid performances; the revenues of International Retail Banking, Financial Services, Private Banking and Securities Services continue to show strong growth. However, the revenues of Asset Management and Corporate and Investment Banking have been heavily impacted by the financial crisis. Corporate and Investment Banking revenues have experienced substantial losses and write-downs associated with the US mortgage crisis and counterparty risks on monoline insurers.

The increase in operating expenses (+4.4% vs. 2006) reflects both the continued investment needed for the Group's organic growth, strict control of operating expenses and the increase in businesses' performance-linked pay. The Group's 2007 cost to income ratio therefore comes out at 65.3% (vs. 61.1% in 2006).

The Group's gross operating income was down -12.6% vs. 2006, at EUR 7,618 million.

In 2007, the Group's cost of credit risk was low at 25 bp of risk-weighted assets, i.e. the same level as in 2006. The net allocation to provisions therefore stood at EUR 905 million (vs. EUR 679 million in 2006).

Overall, the Group generated operating income for the year down -16.5% vs. 2006, at EUR 6,713 million, excluding net losses on unauthorized and concealed market activities.

At the beginning of 2008, the Group uncovered an exceptional fraud within a sub-division of its market activities. The fraud has had a negative impact of EUR -4,911 million. The Group recorded this loss in the 2007 accounts as a net loss on unauthorized and concealed market activities. Consequently, operating income including the net loss generated by this fraud stands at EUR 1,802 million.

Group net income after tax (the Group's effective tax rate was 15.3% vs. 28.4% in 2006) and minority interests amounted to EUR 947 million for 2007, down -81.9% vs. 2006 (EUR 5,221 million). If the fraud is excluded, Group net income would have been EUR 4,167 million for 2007.

The Group's 2007 ROE after tax stood at 3.6% vs. 25.8% in 2006. Earnings per share amounted to EUR 1.98 for 2007 vs. EUR 12.33 in 2006. Excluding losses from the fraud, EPS would have amounted to EUR 9.37, down -24.0% on 2006 mainly due to the write-downs recorded by Corporate and Investment Banking.

At December 31st 2007, Group shareholders' equity totaled EUR 27.2 billion and net assets per share EUR 56.4 (-11.4% vs. 2006), including EUR 2.6 of unrealized capital gains. Risk-weighted assets were up +14.3% year-on-year, reflecting the Group's strong organic growth. Corporate and Investment Banking's risk-weighted assets were up +10.7% over the same period, but down -3.1% vs. September 30th 2007, illustrating the Group's determination to reduce its risks in a difficult market environment.

In order to boost its shareholders' equity, on January 24th 2008 the Group announced the launching of EUR 5.5 billion capital increase with preferential subscription rights. This operation will be led by JP Morgan, Morgan Stanley and Société Générale Corporate and Investment Banking and will be subject to a firm underwriting (*garantie de bonne fin*) as per article L.225-145 of the French Commercial Code.

The capital increase will take the Tier 1 ratio (Basel 1) to 8.0% proforma at end-2007, taking into account the acquisition of additional tranches representing 37.8% of the Russian bank Rosbank.

The Group is continuing with its share buyback policy aimed at annually neutralizing the dilutive effect of capital issues reserved for employees and allocations of stock options and free shares. In accordance with this policy, the Group repurchased 10.7 million shares during 2007. At December 31st 2007, Société Générale held 30.3 million treasury shares (or 6.5% of the capital), excluding shares held for trading purposes.

At the May 27th 2008 Annual General Meeting, the Board of Directors intends to propose the payment of a dividend for 2007 consistent with the Group's target of a 45% payout ratio. The precise amount and date of the dividend payment will be set at the Board of Directors' meeting on February 20th 2008.

FRENCH NETWORKS

In millions of euros	2007 (e)	2006	Change
Net banking income	7,058	6,833	**+3.3%**
Operating expenses	(4,566)	(4,450)	**+2.6%**
Gross operating income	**2,492**	**2,383**	**+4.6%**
Net allocation to provisions	(329)	(275)	**+19.6%**
Operating income	**2,163**	**2,108**	**+2.6%**
Net income from companies accounted for by the equity method	2	2	**NM**
Net income from other assets	4	5	**NM**
Income tax	(736)	(719)	**+2.4%**
Net income before minority interests	1,433	1,396	**+2.7%**
Minority interests	58	52	**+11.5%**
Net income	**1,375**	**1,344**	**+2.3%**
Cost/income ratio	64.7%	65.1%	
Average allocated capital	6,227	5,703	**+9.2%**
ROE after tax	**22.1%**	**23.6%**	

(e): estimated

NB: The cash management business, previously included in Financial Services, has been attached to the French Networks since 2007. Historical data have been adjusted accordingly.

The French Networks turned in solid commercial and financial performances in 2007. Net banking income was up +4.8% vs. 2006, excluding the effect of the PEL/CEL provision (EUR 53 million write-back in 2007, vs. a EUR 183 million write-back in 2006) and capital gain on Euronext disposal (EUR 36 million). This increase is driven by the growth of commissions, with interest income recording a more modest rise.

The growth in operating expenses in 2007 (+2.6% vs. 2006) reflects both the strict control of costs and the investments needed to continue the division's growth. As a result, the C/I ratio was down -1.4 pts, at 65.5% excluding PEL/CEL and Euronext capital gain in 2007, vs. 66.9% in 2006.

The 2007 cost of risk was low at 28 bp (vs. 27 bp in 2006), reflecting the quality of the French Networks' customer bases.

Overall, the French Networks' contribution to Group net income was up +7.7% excluding PEL/CEL and Euronext capital gain (+2.3% in absolute terms vs. 2006). ROE after tax stood at 21.2% excluding PEL/CEL and Euronext capital gain.

INTERNATIONAL RETAIL BANKING

In millions of euros	2007 (e)	2006	Change
Net banking income	3,444	2,786	**+23.6%**
Operating expenses	(1,986)	(1,644)	**+20.8%**
Gross operating income	**1,458**	**1,142**	**+27.7%**
Net allocation to provisions	(204)	(215)	**-5.1%**
Operating income	**1,254**	**927**	**+35.3%**
Net income from companies accounted for by the equity method	36	11	**NM**
Net income from other assets	28	7	**NM**
Income tax	(320)	(242)	**+32.2%**
Net income before minority interests	998	703	**+42.0%**
Minority interests	312	232	**+34.5%**
Net income	**686**	**471**	**+45.6%**
Cost/income ratio	57.7%	59.0%	
Average allocated capital	1,860	1,316	**+41.3%**
ROE after tax	**36.9%**	**35.8%**	

(e): estimated

International Retail Banking continues to post strong organic growth and significantly higher financial results.

Net banking income was up 23.6% vs. 2006. The 2007 structure effect consists primarily of Splitska Banka in Croatia (entry in Q3-06), Modra Pyramida in the Czech Republic (entry in Q4-06), with the balance attributable to the more modestly-sized contributions of SGBB in Burkina Faso (entry in Q1-07), Bank Republic in Georgia (entry in Q1-07) and Banka Popullore in Albania (entry in Q4-07).

Operating expenses were up 20.8% vs. 2006, reflecting the organic growth investment policy, and notably the opening of 379 branches year-on-year at constant structure. The C/I ratio was down from 59.0% in 2006 to 57.7% in 2007. As a result, gross operating income rose +27.7% vs. 2006.

The 2007 cost of risk stood at 44 bp, vs. 55 bp in 2006, a level that was lower than mid-cycle expectations.

The contribution to Group net income rose +45.6% vs. 2006.

International Retail Banking's ROE after tax amounted to a high 36.9% in 2007, vs. 35.8% in 2006.

FINANCIAL SERVICES

In millions of euros	2007 (e)	2006	Change
Net banking income	2,838	2,404	**+18.1%**
Operating expenses	(1,526)	(1,290)	**+18.3%**
Gross operating income	**1,312**	**1,114**	**+17.8%**
Net allocation to provisions	(374)	(273)	**+37.0%**
Operating income	**938**	**841**	**+11.5%**
Net income from companies accounted for by the equity method	(7)	(14)	**NM**
Net income from other assets	1	(1)	**NM**
Income tax	(315)	(291)	**+8.2%**
Net income before minority interests	617	535	**+15.3%**
Minority interests	17	14	**+21.4%**
Net income	**600**	**521**	**+15.2%**
Cost/income ratio	53.8%	53.7%	
Average allocated capital	3,726	3,280	**+13.6%**
ROE after tax	**16.1%**	**15.9%**	

(e): estimated

NB: The cash management business, previously included in Financial Services, has been attached to the French Networks since 2007. Historical data have been adjusted accordingly.

Financial Services comprises Specialized Financing (consumer credit, vendor and equipment finance, operational vehicle leasing and fleet management, and IT asset leasing and vehicle fleet management), as well as the Insurance activities (Life and Non-Life Insurance).

Financial Services posted strong organic growth. Net banking income was up +18.1% vs. 2006. Operating expenses rose +18.3%, reflecting the business line's substantial organic growth efforts. As a result, the C/I ratio stood at 53.8% in 2007, vs. 53.7% in 2006.

The cost of risk stood at 89 bp of risk-weighted assets. The increase compared with 2006 (73 bp) is due to the integration of new acquisitions and the consumer credit business' growing share of outstandings, particularly in emerging countries.

The contribution to Group net income was up +15.2% vs. 2006. 2007 ROE after tax stood at 16.1% (vs. 15.9% in 2006).

GLOBAL INVESTMENT MANAGEMENT AND SERVICES

In millions of euros	2007 (e)	2006	Change
Net banking income	3,741	3,195	**+17.1%**
Operating expenses	(2,708)	(2,298)	**+17.8%**
Gross operating income	**1,033**	**897**	**+15.2%**
Net allocation to provisions	(41)	(8)	**NM**
Operating income	**992**	**889**	**+11.6%**
Net income from other assets	(6)	(1)	**NM**
Income tax	(295)	(273)	**+8.1%**
Net income before minority interests	691	615	**+12.4%**
Minority interests	39	38	**+2.6%**
Net income	**652**	**577**	**+13.0%**
Cost/income ratio	72.4%	71.9%	
Average allocated capital	1,382	1,086	**+27.3%**

(e): estimated

Global Investment Management and Services includes asset management (Société Générale Asset Management), private banking (SG Private Banking), Société Générale Securities & Services (SG SS) and online savings (Boursorama).

The division's performance was mixed: since the beginning of the third quarter, the financial crisis has affected Asset Management performances in particular, whereas Private Banking and Securities Services have enjoyed excellent performances.

Overall, the division's net inflows totaled EUR 20.1 billion in 2007, compared to EUR 41.9 billion in 2006. Net banking income was up +11.9% in 2007, excluding the EUR 165 million Euronext capital gain realized in Q2-07. Operating expenses rose 17.8% vs. 2006. The division's net allocation to provisions totaled EUR 41 million in 2007. Operating income was down -7.0% excluding the Euronext capital gain. The contribution to Group net income was 6.2% lower than in 2006, excluding Euronext capital gain.

Asset Management

In millions of euros	2007 (e)	2006	Change
Net banking income	1,119	1,281	**-12.6%**
Operating expenses	(841)	(805)	**+4.5%**
Gross operating income	**278**	**476**	**-41.6%**
Net allocation to provisions	(4)	1	**NM**
Operating income	**274**	**477**	**-42.6%**
Net income from other assets	(6)	(1)	**NM**
Income tax	(91)	(162)	**-43.8%**
Net income before minority interests	177	314	**-43.6%**
Minority interests	8	16	**-50.0%**
Net income	**169**	**298**	**-43.3%**
Cost/income ratio	75.2%	62.8%	
Average allocated capital	371	280	**+32.5%**

(e): estimated

Asset Management activities felt the effects of the financial crisis, with net outflows on some products in H2 2007. Against this backdrop, SGAM was obliged to ensure the liquidity of some dynamic money market funds. The business line recorded final write-downs or losses related to the liquidity crisis of EUR -0.3 billion in 2007. As a result, net banking income was down -12.6% vs. 2006.

Operating expenses rose +4.5% vs. 2006. SGAM posted full-year operating income down -42.6% vs. 2006.

Private Banking

In millions of euros	2007 (e)	2006	Change
Net banking income	823	658	**+25.1%**
Operating expenses	(531)	(434)	**+22.4%**
Gross operating income	**292**	**224**	**+30.4%**
Net allocation to provisions	(1)	(4)	**-75.0%**
Operating income	**291**	**220**	**+32.3%**
Net income from other assets	0	0	**NM**
Income tax	(63)	(49)	**+28.6%**
Net income before minority interests	228	171	**+33.3%**
Minority interests	13	12	**+8.3%**
Net income	**215**	**159**	**+35.2%**
Cost/income ratio	64.5%	66.0%	
Average allocated capital	427	378	**+13.0%**

(e): estimated

Private Banking continued to post excellent performances.

Net banking income rose +25.1% vs. 2006 on the back of strong business in alternative investment and structured products.

The increase in operating expenses (+22.4% vs. 2006), which was less than the increase in net banking income, includes the effect of continued commercial and infrastructure investments as well as the increase in business performance-linked pay. As a result, the C/I ratio improved by -1.5 pts in 2007 to 64.5% (vs. 66.0% in 2006).

Operating income rose +32.3% vs. 2006.

Securities Services and Online Savings

In millions of euros	2007 (e)	2006	Change
Net banking income	1,799	1,256	**+43.2%**
Operating expenses	(1,336)	(1,059)	**+26.2%**
Gross operating income	**463**	**197**	**x 2,4**
Net allocation to provisions	(36)	(5)	**NM**
Operating income	**427**	**192**	**x 2,2**
Net income from other assets	0	0	**NM**
Income tax	(141)	(62)	**x 2,3**
Net income before minority interests	286	130	**x 2,2**
Minority interests	18	10	**+80.0%**
Net income	**268**	**120**	**x 2,2**
Cost/income ratio	74.3%	84.3%	
Average allocated capital	584	428	**+36.4%**

(e): estimated

Securities Services enjoyed very strong business volumes.

Excluding Euronext capital gain, the net banking income of SGSS and Boursorama was up +30.2% vs. 2006. Operating expenses rose +26.2% in 2007 due to continued investment, especially in the custody and fund administration divisions.

The business line recorded a EUR 36 million provision linked to two accounts in 2007. Operating income rose +37.0% vs. 2006, excluding Euronext capital gain.

CORPORATE AND INVESTMENT BANKING

In millions of euros**	2007 (e)	2006	Change
Net banking income	4,522	6,860	**-34.1%**
o.w. Financing & Advisory	*1,859*	*1,559*	***+19.2%***
o.w.Fixed Income, Currencies & Commodities	*(885)*	*2,252*	***NM***
o.w. Equities	*3,548*	*3,049*	***+16.4%***
Operating expenses	(3,425)	(3,755)	**-8.8%**
Gross operating income	**1,097**	**3,105**	**-64.7%**
Net allocation to provisions	56	93	**-39.8%**
Operating income excluding net loss on unauthorized and concealed trading activities	**1,153**	**3,198**	**-63.9%**
Net loss on unauthorized and concealed trading activities	(4,911)	0	**NM**
Operating income including net loss on unauthorized and concealed trading activities	**(3,758)**	**3,198**	**NM**
Net income from companies accounted for by the equity method	19	24	**-20.8%**
Net income from other assets	26	30	**-13.3%**
Impairment losses on goodwill	0	0	**NM**
Income tax	1,501	(901)	**NM**
Net income before minority interests	(2,212)	2,351	**NM**
Minority interests	9	13	**-30.8%**
Net income	**(2,221)**	**2,338**	**NM**
Cost/income ratio	75.7%	54.7%	
Average allocated capital	5,684	4,908	**+15.8%**
ROE after tax	**NM**	**47.6%**	

*** Excluding Cowen*
(e): estimated

After a very good first half marked by a generally buoyant environment, Corporate and Investment Banking experienced a very difficult second half against the backdrop of an unfavorable market, and also suffered the consequences of the discovery of an exceptional fraud.

The Fixed Income, Currencies and Commodities division posted revenues of EUR -885 million (EUR +2,252 million in 2006). These revenues have been affected by the effects of the US mortgage crisis, for a total amount of EUR -2.6 billion, including:

- EUR -1,250 million on the portfolio of unhedged CDOs,
- EUR -947 million on monoline insurer counterparty risks, EUR -47 million of which was due to the complete write-down of exposure to ACA.

- EUR -325 million on the RMBS portfolio. Written down on the basis of market parameters, the portfolio has been largely hedged or sold. At December 31st 2007, exposure to RMBS, net of unhedged exposure and write-downs totalised EUR 184 million.

The decision to consolidate the SIV (Structured Investment Vehicle) PACE at December 31st 2007 (cf. press release chapter 1.1.1) has resulted in the recording of EUR -49 million under net banking income (and EUR -12 million under net allocation to provisions).

Meanwhile, Equity activities enjoyed strong business volumes, driven by flow and structured products.

Finally, Financing & Advisory confirmed the soundness of its client base and posted revenues up 19.2% vs. 2006.

Corporate and Investment Banking's total net banking income for 2007 was down -34.1% vs. 2006 (excluding Cowen), while net banking income for commercial activities was up by around 15%.

Operating expenses for Corporate and Investment Banking were 8.8% lower than in 2006 (excluding Cowen), reflecting the downward adjustment of performance-linked pay.

Corporate and Investment Banking recorded a net allocation to provisions of EUR +56 million in 2007 (vs. EUR +93 million in 2006).

At the beginning of 2008, the Group uncovered an exceptional fraud within a sub-division of its market activities. Through his detailed knowledge of the control procedures, acquired during his previous employment in the Group's middle office, a trader was able to conceal his positions using a sophisticated scheme of fictitious transactions. Given the size of these positions and the conditions in which they were closed, this fraud had a total negative impact before tax of EUR -4,911 million, recorded in the 2007 accounts as an exceptional loss on unauthorized and concealed market activities.

Corporate and Investment Banking's total contribution to Group net income amounted to EUR -2,221 million in 2007 (vs. a positive result of EUR 2,338 million in 2006 excluding Cowen).

CORPORATE CENTRE

The Corporate Centre recorded gross operating income of EUR 227 million in 2007 (vs. EUR 70 million in 2006). Income from the equity portfolio amounted to EUR 502 million. At December 31st 2007, the IFRS net book value of the industrial equity portfolio, excluding unrealized capital gains, amounted to EUR 0.6 billion, representing a market value of EUR 1.0 billion.

In managing the liquidity of some SGAM funds, the Group has subscribed to units in two dynamic money market funds. The write-downs and depreciation for the cost of risk recorded on these units due to the liquidity crisis has had an impact of EUR -49 million on the Corporate Centre's operating income.

Appendix: additional information on Corporate and Investment Banking:

- **Exposure at risk to US residential real estate**

	CDO: AAA super senior tranches		
	portfolio # 1	portfolio # 2	portfolio # 3
Gross exposure at 31/12/07 in EURm	**1 401**	**1 736**	**1 717**
Attachment point	31%	15%	32%
Underlying	mezzanine	high grade	mezzanine
% of underlying subprime assets	84%	53%	73%
o.w. originated in 2005 and earlier	*53%*	*20%*	*62%*
o.w. originated in 2006	*31%*	*20%*	*6%*
o.w. originated in 2007	*1%*	*12%*	*5%*
Write-downs recorded in 2007 (1)	-458	-629	-164
% total of CDO depreciations (2)	32%	36%	9%
Net exposure at 31/12/07 in EURm (3)	**955**	**1 116**	**1 554**

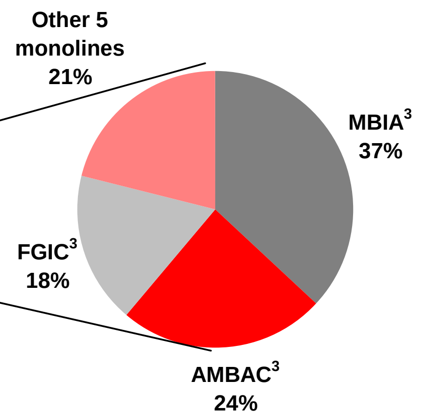
(1) Write-down at average exchange rate for each quarter
(2) Net of hedging by subordination
(3) Exchange rate exposure at December 31st 2007

Sensitivity

An assumption for a 10% overall increase in cumulative losses (in particular 9.0% to 9.9% for loans which originated in 2005, 23.0% to 25.3% for loans which originated in 2006 and 25.0% to 27.5% for loans which originated in 2007) would lead to an estimated additional write-down of EUR -431 million

- **Counterparty risk exposure to "monolines" (default scenario for all Société Générale Group counterparty monoline insurers)**

	In EUR bn
Gross counterparty exposure 1&2&3	1.9
CDS bought from banks	-0.6
Net counterparty exposure 3	1.3
Write-downs 4	-0.9
Net residual counterparty exposure	0.4



(1) Based on valuation methodologies consistent with those applied for uninsured assets and excluding ACA

(2) Including EUR 1.5 bn gross counterparty exposure related to a EUR 7.9 bn US mortgage related nominal exposure, of which EUR 4.2 bn subprime (vintages : 3% 2007, 21% 2006 and 76% 2005 and earlier)

(3) Figure updated for the closure of the 2007 accounts

(4) The EUR 400 million of unallocated additional provisions included in the January 24th 2008 press release have been allocated to the risks related to US monoline insurer exposure, for the account closure process. This takes total write-downs to EUR 900 million excluding exposure to ACA (completely written down elsewhere).

4.3 STATUTORY AUDITORS' REPORT ON 2007 ESTIMATED FINANCIAL DATA

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

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SOCIETE GENERALE

Public Limited Company (société anonyme)

Statutory Auditors' report on 2007 the consolidated net profit estimate

To the Chairman and Chief Executive Officer,

In our capacity as Statutory Auditors and in accordance with the requirements of EC Regulation 809/2004, we hereby report on the consolidated net profit estimate of Société Générale, as set out in sections 4.1 and 4.2 of the update to the 2007 *Document de référence* (registration document) dated February 10th 2008.

It is your responsibility to prepare the profit estimate, in accordance with the requirements of EC Regulation 809/2004 and the CESR recommendations relating to profit estimates.

It is our responsibility to report as required by Annex I item 13.2 of EU Regulation 809/2004 that the profit estimate has been properly compiled.

We performed our work in accordance with the professional guidelines applicable in France, except for what is stated in the first item of the opinion expressed below. Our work, which does not constitute an audit or a review, included an assessment of the preparation process of the profit estimate and procedures to ensure that the accounting methods used were consistent with the accounting policies which should normally be adopted by Société Générale for the preparation of its final financial statements for the year ended December 31st 2007. Our work also consisted of obtaining the information and explanations we deemed necessary in order to obtain reasonable assurance that the profit estimate has been properly compiled on the basis stated.

Since the profit estimate may be modified by facts or events discovered or occurring subsequent to the issue of this report, the final financial statements could differ from the profit estimate and we express no conclusion as to whether the actual results will effectively confirm the profit estimate.

In our opinion:

- The profit estimate has been properly compiled on the basis stated, however, our audit is still underway and in the present circumstances, our audit procedures with respect to Corporate and Investment Banking activities have been extended and are not completed.

- The basis of accounting is consistent with the accounting policies of Société Générale.

Without qualifying the above conclusions, we draw your attention to point 4 of the note "Preparation process for estimated financial data", which describes the accounting and tax treatments of the net loss on unauthorized and concealed activities and the reasons which led the Group to make use of the exception provided for under IAS 1 in order to present fairly its financial position and results of operations as of December 31st 2007. In addition, as indicated in the introduction to this note, internal and external investigations are underway, the results of which are currently unknown. Should new facts emerge, the accounting impacts will be considered where necessary.

This report is issued for the offer of securities to the public in France and in the other EU member states where a prospectus including the *Document de référence* and its update approved by the *Autorité des Marchés Financiers* is notified. It cannot be used for any other purpose.

Paris – La Défense and Neuilly-sur-Seine, on February 10th, 2008

The Statutory Auditors

ERNST & YOUNG Audit	DELOITTE & Associés
Philippe PEUCH-LESTRADE	José-Luis GARCIA
Partner	*Partner*

4.4 INFORMATION ON SHARE CAPITAL

Changes in the capital

Operations	**Recording date**	**Variation**	**Number of shares**	**Share capital (in EUR)**	**Change in capital related to the operation (as %)**
Options exercised in H1 2007 and 2007 Savings Plan Capital Increase	11.07.2007	261,414 4,578,835	466,264,811	582,831,013.75	1.05
Options exercised in H2 2007	*31.12.2007 recorded 11.01.2008*	*317,782*	*466,582,593*	*583,228,241.25*	*0.07*
Options exercised from January 1st to 11th 2008	*recorded 05.02.2008*	*34,080*	*466,616,673*	*583,270,841.25*	*0.01*

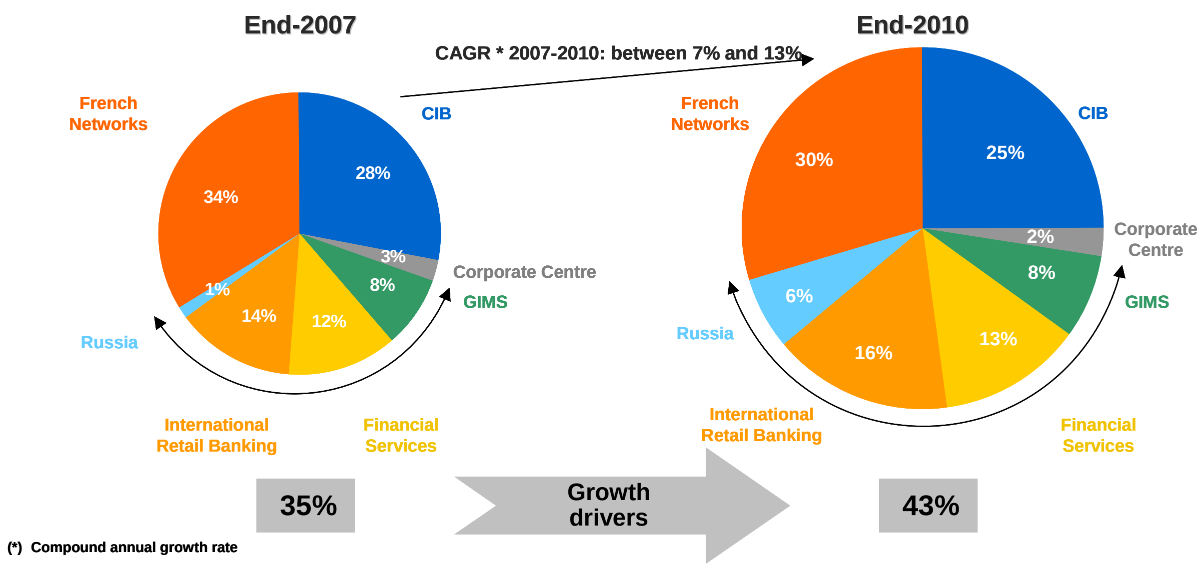
4.5 CHANGE IN THE RATING AGENCIES' LONG-TERM RATING

The Société Générale Group has held detailed discussions with the agencies that rate it following the discovery of the fraud referred to above. These discussions covered both the development of the fraud and the Group's planned financial policy measures to boost its shareholders' equity. On January 24th 2008, the rating agencies Moody’s and Fitch downgraded Société Générale's long-term rating by one notch, to Aa2 and AA- respectively, and Standard & Poor’s placed Société Générale's AA long-term rating under negative watch. These levels are compatible with the long-term rating objective that the Group has set.

4.6 THE GROUP'S STRATEGIC OUTLOOK

After a difficult year in 2007, the Group intends to pursue the readjustment of its business portfolio over the coming years, through both organic growth and targeted acquisitions, and step up development in business and markets with high potential. By the end of 2010, the share of International Retail Banking, Financial Services and Global Investment Management and Services and Russia in the Group's total risk-weighted assets should reach 43% compared to 35% at the end of 2007.

Breakdown of Group Risk-Weighted Assets (Basel I)



This expansion strategy will be based on the strong ability to generate capital as a result of the Group's strong positions in retail banking in France and Corporate and Investment Banking. The Group also intends to boost the revenue synergies between the businesses and continue to improve its operating efficiency, with the implementation of a specific plan initiated in June 2007. This should improve operating income by at least EUR 1bn by 2010.

In the case of Corporate and Investment Banking, the first half of 2008 is expected to be a transitional period, marked by the strengthening of control procedures in a market environment that will probably remain difficult. As a result, there is likely to be a deliberate reduction in stress-test limits and volumes in arbitrage activities, with a gradual pick-up as from Q3 2008, depending on market conditions. Client-driven activity will continue to expand through an enhanced product offering, the extension of the client base (hedge funds, financial institutions) and wider geographical coverage (Asia, Gulf countries, Russia). The expansion of the financing businesses will continue, especially in strong growth activities (commodities, infrastructures), with active management of the portfolio of activities. The exploitation of revenue synergies between businesses will continue, with priority given, amongst others, to cooperation with the international retail banking network and cross-selling between interest rate and foreign exchange derivatives and financing. Corporate and Investment Banking has a target of average annual revenue growth of between 5% and 10% over the period 2006-2010, enabling it to achieve net banking income of around EUR 9 billion in 2010, a C/I ratio of around 62% in 2009 and 60% in

2010, and a ROE after tax of around 30% (assuming a cost of risk of 40 bp) in 2009 and higher in 2010. In 2008, after a transitional first half and in a difficult market environment, ROE after tax is expected to be around 20% (+/- 2 percentage points).

For the French Networks, favorable positioning, (high market share in the most profitable regions, strong penetration levels by Crédit du Nord in the professional customer market), the deliberate targeting of mass affluent clients and closer cooperation with Corporate and Investment Banking should further promote dynamic growth. The Group plans to continue its active policy of opening branches and increasing sales by the Internet. The aim is to achieve annual NBI growth that is at least equal to France's nominal GDP and a C/I ratio of below 63% by 2010.

International Retail Banking will pursue a strategy of ambitious organic growth in countries where the Group is already present (notably Egypt, Romania, the Czech Republic, Morocco). Following the decision to exercise the purchase option on Rosbank, the business will place an emphasis on development in Russia. It will also continue to reinforce its presence in the Mediterranean Basin. Synergies between the businesses will be strengthened and the tool and process harmonization policy will continue. The target for 2010 is that retail activities in Russia contribute 23% of International Retail Banking's net banking income, taking the share for Central and Eastern Europe to 51% (68% in 2007), the Mediterranean Basin to 12% (18% in 2007), Sub-Saharan Africa and the Overseas Territories to 9% (14% in 2007).

Specialized Financial Services will continue its expansion in countries with strong potential, in particular emerging countries, by drawing on the robust and durable base built up in France, Germany and Italy, and prudent risk management using the Group's scoring tools. In 2010, over half of the Consumer Credit business' NBI is expected to be generated in emerging countries (14% in Russia, 14% in Brazil, 9% in Poland) compared with 18% in France, 16% in Italy and 9% in Germany. Business Finance and Services will also expand aggressively internationally, while continuing to capitalize on their leadership positions in Europe. Insurance will also continue to pursue its expansion in France and abroad, with a deliberate strategy of cross-selling involving International Retail Banking and Consumer Credit.
With regard to Global Investment Management and Services, the creation of Newedge, effective on January 2nd 2008, has produced a leading global player in listed derivatives broking. The aim of its development plan is to achieve gross operating income of at least EUR 400 million in 2010. The custody activities are aiming to participate in the consolidation movement under way in Europe and develop the business in emerging countries in conjunction with International Retail Banking, with a view to making a contribution of around EUR 180 million to Group net income in 2010. Meanwhile, Boursorama aims to replicate the online banking model that it has successfully developed in France, abroad (primarily a partnership project with La Caixa in Spain). Private Banking, which enjoys a strong presence in Europe and Asia, intends to continue its rapid expansion through targeted acquisitions and the extension of its presence in countries with strong potential, notably India and Russia. The ambition for 2010 is to achieve EUR 115 billion of assets under management, with a doubling of gross operating income vs. 2006. After 2007, which was marked by a more difficult environment, Asset Management intends to pursue its expansion in Asia (China, India and Korea), increase its inflow through the Group's networks in France and abroad, and boost cross-selling between its management and distribution platforms.

Lastly, an operating efficiency plan was launched in June 2007. It aims to reinforce the industrialization of the Group's processes, develop mutualization initiatives and optimize the cost of Group resources. The plan contains both measures specific to each of the Group's divisions and functional departments (55% of the improvement expected in operating income by 2010), and cross-functional mutualization initiatives (45% of the improvement expected in operating income by 2010).

Overall, the Group aims to achieve a C/I ratio of between 60% and 62% and a ROE after tax of between 19% and 20% in 2009, while targeting a Tier One ratio (Basel I) of 8.0% at end-2008, reduced gradually to 7.5% at end-2010. The aim of a dividend payout ratio of 45% of Group net income is confirmed over the period 2008-2010.

V. CHAPTER 12: PERSON RESPONSIBLE FOR UPDATING THE REGISTRATION DOCUMENT

5.1 PERSON RESPONSIBLE FOR UPDATING THE REGISTRATION DOCUMENT

Mr. Daniel Bouton, Chairman and Chief Executive Officer of Société Générale

5.2 CERTIFICATION

Having taken all reasonable care to ensure that such is the case, I hereby certify that the information set out in the present update of the 2007 registration document is, to the best of my knowledge, true and there are no omissions that could impair its meaning.

I have obtained from the Statutory Auditors a letter certifying that they have verified all of the information contained in the present update relating to the Group's financial position and accounts and that they have read the entire updated document.

The estimated financial information as at December 31st 2007 presented in this update was the subject of a legal controllers' report prepared in accordance with the requirements of EC regulation No. 809-2004 which appears on pages 47 and 48 of this update and contains the following information:
The legal controllers expressed the opinion that the estimates were adequately established on the basis indicated and observed that the audit of the consolidated accounts is still underway and, given the current circumstances, the audit procedures for the financial statements relative to Corporate and Investment Banking have been extended and are not completed, and the basis of accounting used in order to prepare these estimates is consistent with the accounting policies of Société Générale.
Without calling into question their conclusions, the legal controllers drew attention to point 4 of the note "Process for preparing estimated financial data" which describes the accounting and fiscal treatment of the net loss on unauthorized and concealed market activities, as well as the reasons which led the Group to use the exceptional provisions provided for by IAS 1 in order to give a true picture of the situation on December 31st 2007.
Moreover, the legal controllers expressed that, as indicated in the introduction to this note, internal and external investigations are underway, the results of which are not yet known. In the assumption that new evidence will become apparent, the impact on accounting purposes will have to be taken into account.

The consolidated financial statements for the 2006, 2005 and 2004 fiscal years which are presented respectively on pages 152-245 of the 2007 Registration Document, pages 128-214 of the 2006 Registration Document and pages 164-208 of the 2004 Annual Report were the object of legal controllers' reports, inserted respectively in the 2007 and 2006 Registration Documents and the 2004 Annual Report. The consolidated financial statements for the 2005 fiscal year were the subject of a certified report by the legal controllers which contains one observation. Without questioning the opinion expressed on the consolidated financial statements, the legal controllers drew the attention of the shareholders to Note 1 which explained the reasons that led Société Générale to correct the accounting treatment of the capital reserve for insurance activities and the impacts on the consolidated financial statements at January 1st 2004 and on 2004 results.

The consolidated financial statements for the 2006, 2005 and 2004 fiscal years which are presented respectively on pages 152-245 of the 2007 Registration Document, pages 128-214 of the 2006 Registration Document and pages 164-208 of the 2004 Annual Report were the object of legal controllers' reports, inserted respectively on pages 246-247 of the 2007 Registration Document, pages 215-216 of the 2006 Registration Document and page 209 of the 2004 Annual Report. The consolidated financial statements for the 2006 fiscal year were the subject of a certified report without reserve by the legal controllers which contains one observation. Without questionning the opinion expressed without reserve on the consolidated financial statements, the legal controllers drew the attention of the shareholders to Note 1 which explained the changes in accounting methods applied as of January 1st 2006 and the impact on opening shareholders' equity.

Paris, February 10th 2008

Daniel BOUTON
Chairman and Chief Executive Officer

5.3 PERSONS RESPONSIBLE FOR AUDITING 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: Mr. Robert Gabriel GALLET
Address: Faubourg de l'Arche – 11, allée de l'Arche – 92037 Paris – La Défense
Date of first appointment: May 30th 2006
Term of mandate: six fiscal years

Name: Mr. 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: six fiscal years

VI. CHAPTER 13: CROSS-REFERENCE TABLE

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