

SOCIETE GENERALE

A French corporation with a share capital of EUR de 576,780,702.50
Head Office : 29, boulevard Haussmann – 75009 Paris
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REPORT OF THE BOARD OF DIRECTORS ON THE RESOLUTIONS SUBMITTED TO THE GENERAL MEETING

We have called this General Meeting today to submit thirteen resolutions for your approval. The purpose of the resolutions is detailed and commented upon below.

REPORT OF THE BOARD OF DIRECTORS ON THE RESOLUTIONS TO BE CONSIDERED BY THE MEETING AS AN ORDINARY MEETING

I - Approval of the 2006 financial statements, dividend payment and related party agreements

The **first and second resolutions** concern the approval of the parent company financial statements for 2006 and the allocation of income. Detailed comments on the parent company financial statements are included in the Registration Document.

The dividend per share is set at EUR 5.2. Shares will be traded ex-dividend as of May 21, 2007 and dividends will be payable from this date.

Individuals residing in France will be entitled to deduct 40% of the dividend from their taxable income.

The **third resolution** seeks your approval of the consolidated financial statements. Comments on the consolidated financial statements are also included in the Registration Document.

The **fourth resolution** seeks your approval of a related party agreement covered by Article L225-38 of the French Commercial Code, authorized by your Board of Directors on April 25, 2006 and included in the agreement signed on May 31, 2006 between SG Financial Services Holding (SG FSH) and Groupama SA when the Group reduced its holding in Groupama Banque from 40% to 20%.

SG FSH has provided a guarantee on behalf of Société Générale Group, with the exception of the group Crédit du Nord, whereby Société Générale Group:

- shall not undertake, in metropolitan France, to acquire a strategic holding in a retail bank via a partnership with an insurance company, on the one hand,
- shall continue to provide services at market terms to Groupama Banque for a period of at least one year in the event the Group should cease to be a shareholder of Groupama Banque, on the other hand.

The above agreements are submitted for your approval, as Mr. Jean Azéma, Chief Executive Officer of Groupama, is a member of Société Générale's Board of Directors.

The **fifth resolution** seeks your approval of a related party agreement covered by Articles L. 225-22-1 and L. 225-42-1 of the French Commercial Code.

This agreement relates to the benefits to be received by Mr. Didier Alix, Chief Executive Officer, after the end of his mandate.

Under the terms of the agreement, Mr. Didier Alix maintains his rights to the supplementary pension plan for senior Group managers to which he belonged prior to his appointment.

Detailed information on this agreement is given in the special report of the Statutory Auditors.

II - Board of Directors – appointment and re-appointment of Directors – attendance fees

Resolutions six to eight propose the renewal of the Director's mandates of Messrs. Daniel Bouton and Antony Wyand and the appointment of Mr. Jean-Martin Folz for a four-year mandate.

Mr. Jean-Martin FOLZ, former Chief Executive Officer of PSA PEUGEOT-CITROEN, is appointed as an independent Director. He has gained extensive management experience as a manager in very large companies (Rhône-Poulenc, Jeumont-Schneider, Eridania Béghin-Say, Péchiney) and as the Chief Executive Officer of one of the largest French listed companies, PSA Peugeot-Citroën, whose operations span several countries.

Moreover, the Board of Directors deliberated on the structure of the Group's General Management, under the assumption that the General Meeting would renew the Director's mandate of Mr. Bouton. It was concluded that the monistic management structure, with a Chairman and Chief Executive Officer, remains the most suitable option for the Company in its current position and given the operation of the Board of Directors and its committees.

The **ninth resolution** proposes an increase in the annual attendance fees paid to the Board of Directors from EUR 750,000 to EUR 780,000.

The proposed increase reflects the growing responsibilities of the members of the Board of Directors. Special circumstances notwithstanding, the Board proposes to update the amount of the attendance fees each year. This policy is considered much more appropriate than the current policy, which consists in reviewing the attendance fees on an irregular basis.

III - Authorization to buy back Société Générale shares

The **tenth resolution** concerns the renewal of the authorization for the Company to buy back its own shares, which was granted to the Board of Directors by the General Meeting of May 30, 2006.

This resolution proposes that the Company be authorized to purchase its own shares up to a legal limit of 10% of its issued capital stock at the time of purchase and specifies that the number of shares held subsequent to this purchase may not exceed 10% of the Company's capital stock. This authorization would be valid for a period of eighteen months.

It is submitted for approval for the same reasons as those given in the past, subject to the new regulatory restrictions.

The purchased shares would be used to implement or honor stock option plans, attribute restricted shares to employees and senior officers of the Group or honor commitments arising from the exercise of convertible debt securities. The Board would also be entitled to hold the shares and subsequently use them in exchange or payment for acquisitions or for the liquidity agreement implemented in 2004.

Under the twenty-second resolution presented to the General Meeting in 2006, the Board would be entitled to cancel the purchased shares and thereby improve the return on equity and earnings per share.

The shares would be bought, sold or transferred by any means and at any time, on one or more occasions, in compliance with the limits and methods specified by current regulations.

The shares would be bought, sold or otherwise transferred over-the-counter, in blocks, or in the form of options or derivatives.

In the case of a public offer, share buybacks would only be authorized under certain conditions. Firstly, the offer would have to be paid entirely in cash. Secondly, the transaction would have to be part of an ongoing share buyback program and must not be liable to cause the offer to fail. Furthermore, only those share buybacks that would allow the company to implement or honor stock option plans, attribute restricted shares to employees and senior officers of the Group, honor commitments arising from the exercise of convertible debt securities, or use the repurchased shares in exchange or payment for acquisitions, would be authorized.

These transactions would be performed under AMF control and in accordance with Article 232-17 of the AMF's General Regulations. As a result, they could under no circumstances be qualified as anti-takeover measures.

The maximum buying price would be set at EUR 200, i.e. around 3.1 times book value per share, and the minimum selling price would be set at EUR 80, approximately equal to 1.25 book value per share as at December 31, 2006.

A description of the share buyback program, drafted in accordance with French rules on regulated information, will be distributed prior to the Meeting and will also be available on the Company's website.

REPORT OF THE BOARD OF DIRECTORS ON THE RESOLUTIONS TO BE CONSIDERED BY THE MEETING AS AN EXTRAORDINARY MEETING

IV – Terms of admission to General Meetings – Amendment to the by-laws

The **eleventh resolution** proposes an amendment to the Company's by-laws to bring them into compliance with the new provisions set forth by Decree No. 67-236 of March 23, 1967, amended by Decree No. 2006-1566 of December 11, 2006, which in particular incorporated the record date into French law.

The new terms of admission to General Meetings take effect on January 1, 2007, without requiring an amendment to the by-laws beforehand.

The Decree of December 11, 2006 removed the obligation whereby holders of bearer shares were prevented from selling their shares to be eligible to attend General Meetings. From now on, regardless of the number of shares held, those shareholders that are able to justify their status with an accounting entry no later than three working days before the date of the meeting at midnight Paris local time (hereinafter referred to as D-3) may attend the meetings.

For holders of nominative shares, this entry at D-3 in the share accounts is sufficient to enable them to attend the meetings. For holders of bearer shares, their authorized intermediaries (in practice, this is the banker who manages the share account) are required to directly justify their clients' status as a shareholder to the centralizing body of the meeting (in practice, this is the banker who, on behalf of the Company, handles the practical organization of the Meeting and central organization of the voting procedures). They do so by producing a certificate of share ownership. However, where holders of bearer shares wish to take part in the meetings in person but have not received their admission card by D-3, they will need to request a certificate from their financial intermediary in order to justify their status as a shareholder at D-3 and be allowed to attend the meetings.

As in the past, in order for votes by post (pre-Meeting votes) to be counted, the ballots must be received by the Company at least two days, or a shorter period if mentioned in the meeting notice, before the Meeting is held, unless the regulations in force shorten this period.

V – Statutory minimum number of shares that Directors are required to hold

The **twelfth resolution** proposes to raise the statutory minimum number of shares that Directors appointed by the OGM must hold from 200 to 600, as recommended in the Directors' Charter.

The resolution also proposes to subject Directors appointed to represent Company personnel to the same rules that apply to Directors appointed to represent employee shareholders, for whom the law prohibits setting a required minimum number of shares.

VI – Delegation of authority

The **thirteenth resolution** is a standard resolution that grants general powers to the Board to carry out all necessary formalities.