



**SOCIETE
GENERALE**

**CONDENSED INTERIM CONSOLIDATED FINANCIAL
STATEMENTS AS AT JUNE 30, 2011**

(Unaudited figures)

Contents

Consolidated financial statements

Consolidated balance sheet	1
Consolidated income statement	3
Changes in shareholders' equity	5
Cash flow statement	6

Notes

Note 1	Accounting principles	7
Note 2	Changes in consolidation scope	9
Note 3	Financial instruments affected by the financial crisis	10
Note 4	Financial assets and liabilities at fair value through profit or loss	12
Note 5	Available-for-sale financial assets	14
Note 6	Due from banks	15
Note 7	Customer loans	16
Note 8	Due to banks	17
Note 9	Customer deposits	18
Note 10	Securitised debt payables	19
Note 11	Provisions and depreciations	20
Note 12	Exposure to sovereign risk on countries that are undergoing a European Union support plan	21
Note 13	Societe Generale ordinary shares, treasury shares, shares held by employees and shareholders' equity issued by the Group	23
Note 14	Gains and losses recognised directly in equity	25
Note 15	Interest income and expense	26
Note 16	Fee income and expense	27
Note 17	Net gains and losses on financial instruments at fair value through P&L	28
Note 18	Net gains and losses on available-for-sale financial assets	29
Note 19	Personnel expenses	30
Note 20	Share-based payment plans	31
Note 21	Cost of risk	32
Note 22	Income tax	33
Note 23	Earnings per share	34
Note 24	Sector information	35

Consolidated balance sheet

Assets

		IFRS	
		June 30, 2011	December 31, 2010
<i>(In millions of euros)</i>			
Cash, due from central banks		36,612	14,081
Financial assets at fair value through profit or loss	Note 4	430,974	455,160
Hedging derivatives		7,411	8,162
Available-for-sale financial assets	Note 5	119,791	103,836
Due from banks	Note 6	76,734	70,268
Customers loans	Note 7	376,004	371,898
Lease financing and similar agreements		28,796	29,115
Revaluation differences on portfolios hedged against interest rate risk		1,420	2,376
Held-to-maturity financial assets		1,789	1,882
Tax assets		5,081	5,445
Other assets		46,276	43,506
Non-current assets held for sale		333	64
Deferred profit-sharing	Note 11	1,217	1,068
Investments in subsidiaries and affiliates accounted for by the equity method		1,984	1,968
Tangible and intangible fixed assets		16,304	15,812
Goodwill		7,282	7,431
Total		1,158,008	1,132,072

Consolidated balance sheet (continued)

Liabilities

		IFRS	
		June 30, 2011	December 31, 2010
<i>(In millions of euros)</i>			
Due to central banks		4,003	2,778
Financial liabilities at fair value through profit or loss	Note 4	351,221	358,963
Hedging derivatives		9,127	9,267
Due to banks	Note 8	85,188	77,311
Customer deposits	Note 9	341,394	337,447
Securitised debt payables	Note 10	158,470	141,385
Revaluation differences on portfolios hedged against interest rate risk		375	875
Tax liabilities		1,212	1,343
Other liabilities		57,057	55,003
Non-current liabilities held for sale		21	6
Underwriting reserves of insurance companies	Note 11	84,895	82,670
Provisions	Note 11	2,068	2,026
Subordinated debt		10,875	12,023
Total liabilities		1,105,906	1,081,097
SHAREHOLDERS' EQUITY			
Shareholders' equity, Group share			
Common stock		963	933
Equity instruments and associated reserves		25,023	24,021
Retained earnings		20,445	18,106
Net income		1,663	3,917
Sub-total		48,094	46,977
Gains and losses recognised directly in equity	Note 14	(536)	(556)
Sub-total equity, Group share		47,558	46,421
Non-controlling interests		4,544	4,554
Total equity		52,102	50,975
Total		1,158,008	1,132,072

Consolidated income statement

		IFRS		
		June 30, 2011	December 31, 2010	June 30, 2010
<i>(In millions of euros)</i>				
Interest and similar income	Note 15	15,101	28,294	14,065
Interest and similar expense	Note 15	(8,893)	(16,324)	(7,569)
Dividend income		160	318	99
Fee income	Note 16	5,149	10,038	4,983
Fee expense	Note 16	(1,356)	(2,553)	(1,306)
Net gains and losses on financial transactions		2,361	5,374	2,431
<i>o/w net gains and losses on financial instruments at fair value through profit or loss</i>	Note 17	2,299	5,341	2,409
<i>o/w net gains and losses on available-for-sale financial assets</i>	Note 18	62	33	22
Income from other activities		10,484	19,662	10,142
Expenses from other activities		(9,884)	(18,391)	(9,585)
Net banking income		13,122	26,418	13,260
Personnel expenses	Note 19	(4,952)	(9,559)	(4,728)
Other operating expenses		(3,203)	(6,053)	(2,880)
Amortisation, depreciation and impairment of tangible and intangible fixed assets		(462)	(933)	(458)
Gross operating income		4,505	9,873	5,194
Cost of risk	Note 21	(2,063)	(4,160)	(2,142)
Operating income		2,442	5,713	3,052
Net income from companies accounted for by the equity method		78	119	58
Net income/expense from other assets		64	11	-
Impairment losses on goodwill		-	1	-
Earnings before tax		2,584	5,844	3,110
Income tax	Note 22	(687)	(1,542)	(806)
Consolidated net income		1,897	4,302	2,304
Non-controlling interests		234	385	157
Net income, Group share		1,663	3,917	2,147
Earnings per ordinary share	Note 23	2.05	4.96	2.75
Diluted earnings per ordinary share	Note 23	2.04	4.94	2.74

Statement of net income and gains and losses recognised directly in equity

	IFRS		
	June 30, 2011	December 31, 2010	June 30, 2010
<i>(In millions of euros)</i>			
Net income	1,897	4,302	2,304
Translation differences	(556)	925	1,537
Revaluation of available-for-sale financial assets	693	78	(178)
Cash flow hedge derivatives revaluation	78	(125)	(201)
Gains and losses recognised directly in equity for companies accounted for by the equity method	(1)	5	5
Tax	(171)	(34)	42
Total gains and losses recognised directly in equity	43	849	1,205
Note 14			
Net income and gains and losses recognised directly in equity	1,940	5,151	3,509
o/w Group share	1,683	4,640	3,256
o/w non-controlling interests	257	511	253

Changes in shareholders' equity

	Capital and associated reserves			Consolidated reserves	Gains and losses recognised directly in equity					Shareholders' equity, Group share	Non-controlling interests (see note 13)	Gains and losses recognised directly in equity, non-controlling interests (see note 13)	Shareholders' equity, non-controlling interests	Total consolidated shareholders' equity
	Common stock	Equity instruments and associated reserves (see note 13)	Elimination of treasury shares	Retained earnings	Translation reserves	Change in fair value of assets available-for-sale	Change in fair value of hedging derivatives	Tax impact						
<i>(In millions of euros)</i>														
Shareholders' equity at December 31, 2009	925	25,059	(1,515)	19,014	(1,149)	(635)	260	245	42,204	4,664	(30)	4,634	46,838	
Increase in common stock	3	77							80				80	
Elimination of treasury shares			152	(163)					(11)				(11)	
Issuance of equity instruments		(12)		87					75	(500)		(500)	(425)	
Equity component of share-based payment plans		33							33	-			33	
2010 S1 Dividends paid				(480)					(480)	(236)		(236)	(716)	
Effect of acquisitions and disposals on non-controlling interests				(5)					(5)	(25)		(25)	(30)	
Sub-total of changes linked to relations with shareholders	3	98	152	(561)	-	-	-	-	(308)	(761)	-	(761)	(1,069)	
Change in value of financial instruments and fixed assets having an impact on equity						(52)	(201)		(253)		(38)	(38)	(291)	
Change in value of financial instruments and fixed assets recognised in income						(77)	-		(77)		(11)	(11)	(88)	
Tax impact on change in value on financial instruments and fixed assets having an impact on equity or recognised in income								39	39		3	3	42	
Translation differences and other changes				(1)	1,395				1,394		142	142	1,536	
2010 S1 Net income for the period				2,147					2,147	157		157	2,304	
Sub-total	-	-	-	2,146	1,395	(129)	(201)	39	3,250	157	96	253	3,503	
Change in equity of associates and joint ventures accounted for by the equity method						5	-	-	5				5	
Shareholders' equity at June 30, 2010	928	25,157	(1,363)	20,599	246	(759)	59	284	45,151	4,060	66	4,126	49,277	
Increase in common stock	5	153							158				158	
Elimination of treasury shares			28	(3)					25				25	
Issuance of equity instruments		(4)		88					84				84	
Equity component of share-based payment plans		50							50	-			50	
2010 S2 Dividends paid				(213)					(213)	(47)		(47)	(260)	
Effect of acquisitions and disposals on non-controlling interests				(222)					(222)	218		218	(4)	
Sub-total of changes linked to relations with shareholders	5	199	28	(350)	-	-	-	-	(118)	171	-	171	53	
Change in value of financial instruments and fixed assets having an impact on equity						504	77		581		50	50	631	
Change in value of financial instruments and fixed assets recognised in income						(285)	-		(285)		(14)	(14)	(299)	
Tax impact on change in value on financial instruments and fixed assets having an impact on equity or recognised in income								(76)	(76)		3	3	(73)	
Translation differences and other changes				4	(603)				(599)	(1)	(9)	(10)	(609)	
2010 S2 Net income for the period				1,770					1,770	228		228	1,998	
Sub-total	-	-	-	1,774	(603)	219	77	(76)	1,391	227	30	257	1,648	
Change in equity of associates and joint ventures accounted for by the equity method						-	-	(3)	(3)				(3)	
Shareholders' equity at December 31, 2010	933	25,356	(1,335)	22,023	(357)	(540)	136	205	46,421	4,458	96	4,554	50,975	
Increase in common stock (see note 13)	30	859							889				889	
Elimination of treasury shares (1)			54	(108)					(54)				(54)	
Issuance of equity instruments (see note 13)		-		85					85				85	
Equity component of share-based payment plans (2)		89							89	-			89	
2011 Dividends paid (see note 13)				(1,571)					(1,571)	(257)		(257)	(1,828)	
Effect of acquisitions and disposals on non-controlling interests (3) (4)				16					16	(10)		(10)	6	
Sub-total of changes linked to relations with shareholders	30	948	54	(1,578)	-	-	-	-	(546)	(267)	-	(267)	(813)	
Change in value of financial instruments and fixed assets having an impact on equity (see note 14)						357	73		430		26	26	456	
Change in value of financial instruments and fixed assets recognised in income (see note 14)						279	-		279		36	36	315	
Tax impact on change in value on financial instruments and fixed assets having an impact on equity or recognised in income (see note 14)								(164)	(164)		(8)	(8)	(172)	
Translation differences and other changes (see note 14)				-	(525)				(525)	-	(31)	(31)	(556)	
2011 Net income for the period				1,663					1,663	234		234	1,897	
Sub-total	-	-	-	1,663	(525)	636	73	(164)	1,683	234	23	257	1,940	
Change in equity of associates and joint ventures accounted for by the equity method						(2)	1	1	-				-	
Shareholders' equity at June 30, 2011	963	26,304	(1,281)	22,108	(882)	94	210	42	47,558	4,425	119	4,544	52,102	

(1) As at June 30, 2011, the Group held 29,265,759 of its own shares as treasury shares, for trading purposes or for the active management of shareholders' equity, representing 3.80% of the capital of Societe Generale S.A. The amount deducted by the Group from its net book value for equity instruments (shares and derivatives) came to EUR 1,281 million, including EUR 309 million in shares held for trading purposes.

The change in treasury shares over 2011 breaks down as follows:

<i>(In millions of euros)</i>	Transaction-related activities	Treasury shares and active management of Shareholders' equity	Total
Disposals net of purchases	(74)	128	54
	(74)	128	54
Capital gains net of tax on treasury shares and treasury share derivatives, booked under shareholders' equity	4	(128)	(124)
Related dividends, removed from consolidated results	-	16	16
	4	(112)	(108)

(2) Share-based payments settled in equity instruments in 2011 amounted to EUR 89 million: EUR 21 million for the stock-option plans and EUR 68 million for the allocation of free shares.

(3) Impact on the shareholder's equity, Group share, regarding transactions related to non-controlling interests:

Cancellation of gains on disposals	17
Buybacks of non-controlling interests not subject to any put options	(3)
Transactions and variations in value on put options granted to non-controlling shareholders	1
Net income attributable to the non-controlling interests of shareholders holding a put option on their Group shares allocated to consolidated reserves	1
Total	16

(4) Changes booked in the amount of EUR -10 million under non-controlling interest reserves correspond to:
 • EUR -1 million of negative effect on transactions and variations of value on put options granted to non-controlling shareholders.
 • EUR -9 million of negative effect of the variations in scope.

Cash flow statement

(In millions of euros)	IFRS		
	June 30, 2011	December 31, 2010	June 30, 2010
NET CASH INFLOW (OUTFLOW) RELATED TO OPERATING ACTIVITIES			
Net income (I)	1,897	4,302	2,304
Amortisation expense on tangible fixed assets and intangible assets	1,514	2,910	1,427
Depreciation and net allocation to provisions	2,922	10,172	6,621
Net income/loss from companies accounted for by the equity method	(78)	(119)	(58)
Deferred taxes	(50)	117	76
Net income from the sale of long-term available-for-sale assets and subsidiaries	(157)	(142)	(71)
Change in deferred income	18	180	104
Change in prepaid expenses	24	(15)	(57)
Change in accrued income	(338)	(9)	(52)
Change in accrued expenses	73	(85)	(305)
Other changes	1,519	3,418	1,266
Non-monetary items included in net income and others adjustments (not including income on financial instruments at fair value through Profit or Loss) (II)	5,447	16,427	8,951
Income on financial instruments at fair value through Profit or Loss ⁽¹⁾ (III)	(2,299)	(5,341)	(2,409)
Interbank transactions	3,414	(14,435)	(2,719)
Customers transactions	(834)	1,499	(4,769)
Transactions related to other financial assets and liabilities	20,549	373	4,994
Transactions related to other non financial assets and liabilities	(1,123)	2,555	536
Net increase/decrease in cash related to operating assets and liabilities (IV)	22,006	(10,008)	(1,958)
NET CASH INFLOW (OUTFLOW) RELATED TO OPERATING ACTIVITIES (A) = (I) + (II) + (III) + (IV)	27,051	5,380	6,888
NET CASH INFLOW (OUTFLOW) RELATED TO INVESTMENT ACTIVITIES			
Net cash inflow (outflow) related to acquisitions and disposals of financial assets and long-term investments	773	161	53
Tangible and intangible fixed assets	(1,926)	(2,616)	(1,787)
NET CASH INFLOW (OUTFLOW) RELATED TO INVESTMENT ACTIVITIES (B)	(1,153)	(2,455)	(1,734)
NET CASH INFLOW (OUTFLOW) RELATED TO FINANCING ACTIVITIES			
Cash flow from/to shareholders ⁽²⁾	(993)	(1,240)	(1,160)
Other net cash flows arising from financing activities	(929)	(657)	(253)
NET CASH INFLOW (OUTFLOW) RELATED TO FINANCING ACTIVITIES (C)	(1,922)	(1,897)	(1,413)
NET INFLOW (OUTFLOW) IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)	23,976	1,028	3,741
CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at the start of the year			
Net balance of cash accounts and accounts with central banks	11,303	11,303	11,303
Net balance of accounts, demand deposits and loans with banks	7,334	6,306	6,306
Cash and cash equivalents at the end of the year			
Net balance of cash accounts and accounts with central banks	32,609	11,303	13,122
Net balance of accounts, demand deposits and loans with banks	10,004	7,334	8,228
NET INFLOW (OUTFLOW) IN CASH AND CASH EQUIVALENTS	23,976	1,028	3,741

(1) Income on financial instruments at fair value through profit or loss includes realised and unrealised income.

(2) See note 13:

- o/w 2011 dividends paid for EUR 939 million excluding dividends paid in equity.

Note 1

Accounting principles

The condensed interim consolidated financial statements for the Societe Generale Group (“the Group”) for the 6 months period ending June 30, 2011 were prepared and are presented in accordance with the revised IAS (International Accounting Standards) 34 “Interim Financial Reporting”¹. The accompanying notes therefore relate to events and transactions that are significant to an understanding of the changes in financial position and performance of the Group during the period ; these notes should be read in conjunction with the audited consolidated financial statements for the year ending December 31, 2010 included in the Registration document for the year 2010.

As the Group’s activities are neither seasonal nor cyclical in nature, its first half results were not affected by any seasonal or cyclical factors.

The consolidated financial statements are presented in euros.

Use of estimates

When applying the accounting principles disclosed below for the purpose of preparing the condensed interim consolidated financial statements, the Management makes assumptions and estimates that may have an impact on the figures booked in the income statement, the valuation of assets and liabilities in the balance sheet, and the information disclosed in the notes to the consolidated financial statements.

In order to make these assumptions and estimates, the Management uses the information available at the date of preparation of the financial statements and can exercise its judgment.

By nature, valuations based on estimates include, risks and uncertainties about their occurrence in the future. Consequently actual future results may differ from these estimates and have a significant impact on the financial statements.

These estimates are principally used for determining fair value of financial instruments and assessing the impairment of assets, provisions and goodwill determined for each business combination.

Accounting principles and methods

In preparing the condensed interim consolidated financial statements, the Group applied the same accounting principles and methods as for its 2010 year-end consolidated financial statements, which were drawn up in compliance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and described in Note 1 to the 2010 consolidated financial statements, “Significant accounting principles”, updated by the following accounting standards or interpretations applied by the Group since January 1, 2011.

¹ Improvements to IFRSs – May 2010.

IFRS, IFRIC interpretations and amendments applied by the Group as at January 1, 2011

Accounting standards, Amendments or Interpretations	Adoption dates by the European Union	Effective dates: annual periods beginning on or after
Amendment to IAS 32 "Classification of Rights Issues"	December 23, 2009	February 1, 2010
Amendments to IFRS 1 "Limited exemption from comparative IFRS 7 disclosures for first time adopters"	June 30, 2010	July 1, 2010
IAS 24 (Revised) "Related Party Disclosures"	July 19, 2010	January 1, 2011
Amendments to IFRIC 14 "Prepayments of a Minimum Funding Requirement"	July 19, 2010	January 1, 2011
IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments"	July 23, 2010	July 1, 2010
Improvements to IFRSs – May 2010	February 18, 2011	January 1, 2011 (except amendments to IFRS 3 and IAS 27: July 1, 2010)

The application of these new measures has no significant impact over the period.

Accounting standards and interpretations to be applied by the Group in the future

The IASB (International Accounting Standards Board) has published some accounting standards that have not been yet adopted by the European Union as at June 30, 2011. Accordingly, they have not been applied by the Group at that date.

Accounting standards, amendments or interpretations not yet adopted by the European Union on June 30, 2011

Accounting standards, Amendments or Interpretations	Adoption dates by IASB	Effective dates: annual periods beginning on or after
IFRS 9 "Financial Instruments" (Phase1: Classification and Measurement)	November 12, 2009 and October 28, 2010	January 1, 2013
Amendments to IFRS 7 "Disclosures – Transfers of Financial Assets"	October 7, 2010	July 1, 2011
Amendment to IAS 12 "Deferred Tax: Recovery of Underlying Assets"	December 20, 2010	January 1, 2012
IFRS 10 "Consolidated Financial Statements"	May 12, 2011	January 1, 2013
IFRS 11 "Joint Arrangements"	May 12, 2011	January 1, 2013
IFRS 12 "Disclosures of Interests in Other Entities"	May 12, 2011	January 1, 2013
IFRS 13 "Fair Value Measurement"	May 12, 2011	January 1, 2013
Revised IAS 27 "Separate Financial Statements"	May 12, 2011	January 1, 2013
Revised IAS 28 "Investments in Associates and Joint Ventures"	May 12, 2011	January 1, 2013
Amendments to IAS 19 "Employee Benefits"	June 16, 2011	January 1, 2013
Amendments to IAS 1 "Presentation of Financial Statements"	June 16, 2011	July 1, 2012

The Group is currently studying the potential impact of these future standards on its consolidated financial statements.

Note 2

Changes in consolidation scope

As at June 30, 2011, the Group's consolidation scope included 836 companies:

- **663** fully consolidated companies;
- **98** proportionately consolidated companies;
- **75** companies accounted for by the equity method.

The consolidation scope includes only those entities that have a significant impact on the Group's consolidated financial statements, i.e. companies whose total assets exceed 0.005% of the Group's total assets, for full or proportionate consolidation, or companies in which the equity held by the Group exceeds 0.025% of the consolidated Group's total equity.

The level of these thresholds was lowered by the Group in 2011, it amounted previously to 0.02% for the total assets and to 0.10% for shareholders' equity. The incidence of the integration in the Group's scope of new entities due to the new thresholds on consolidated accounts on June 30, 2011 is lower than 0.05% of the total assets and than 0.15% of the total shareholders' equity.

These criteria do not apply to sub-consolidated subsidiaries.

The main changes to the consolidation scope at June 30, 2011, compared with the scope applicable at the closing date of December 31, 2010, are as follows:

- The Group has consolidated Ohridska Banka held by 70.02% and located in Macedonia by full integration.
- The stake in Bank Republic was increased by 2.86% compared to December 31, 2010 to 84.04% after unevenly subscribed capital increase.
- In February 2011, the Group sold its stake in Limited Liability Partnership Prostokredit, previously fully consolidated through SG Consumer Finance, to Eurasian Bank.
- Deltacredit, previously fully consolidated through DC Mortgage Finance Nederland BV, is now 74.89%-owned by the Group and directly consolidated due to its sale to Rosbank.
- Limited Liability Company Rusfinance and Limited Liability Company Rusfinance Bank, previously fully consolidated through Rusfinance SAS, are now 74.89%-owned by the Group and directly consolidated due to its sale to Rosbank.
- The stake in Banka Societe Generale Albania Sh.A., was increased to 87.47%, i.e. a 1.65% increase compared to December 31, 2010, due to an unevenly subscribed capital increase.
- After the sale by Gefa Leasing GMBH and SG EQUIPMENT FINANCE GMBH to Komerčni Banka, the stake in SG Equipment Finance Czech Republic SRO decreased by 19.82% to 80.18% compared to December 31, 2010.
- The Group has consolidated ALD Automotive SRL held by 91.87% since 2004 and located in Romania by full integration.
- The stake in BOURSORAMA S.A. was decreased to 57.47%, i.e. a 0.31% decrease compared to December 31, 2010, due to a capital increase and the sale of treasury shares.
- The operating activities consolidated through New Esporta Holding Limited were removed from the consolidation scope as at June 30, 2011 after its sale.

In accordance with IFRS 5 "*Non-current receivables held for sale and discontinued operations*", the following items were classified in *Non-current assets and liabilities held for sale*:

- The real estate activities consolidated through New Esporta Holding Limited;
- Part of capital-investment activities that have been put up for sale by the Group.

Note 3

Financial instruments affected by the financial crisis

During the first half of 2011, the Societe Generale Group continued to be affected by the high volatility of financial instruments and an uncertain economic environment, particularly on:

- its positions in super senior and senior tranches of unhedged CDOs (Collateralised Debt Obligations) exposed to the US residential mortgage sector;
- its US RMBS (Residential Mortgage Backed Securities) trading positions;
- its CMBS (Commercial Mortgage Backed Securities) trading positions;
- its exposure to counterparty risk on monoline insurers.

1. SUPER SENIOR AND SENIOR CDO TRANCHES OF UNHEDGED CDOs EXPOSED TO THE US RESIDENTIAL MORTGAGE SECTOR

In the absence of observable transactions, the valuation of unhedged super senior and senior tranches of CDOs exposed to the US residential mortgage market was carried out using data that is largely unobservable data or not quoted in an active market.

Whenever observable data becomes available, the model's results are compared and adjusted so as to converge with the data. Societe Generale Group's approach focuses on the valuation of individual mortgage pools underlying assets of the structured bonds, in order to estimate the value of RMBS bonds and consequently the value of CDO tranches, using a prospective credit stress scenario, as opposed to a marked-to-market approach.

Four key variables are used to value mortgage pools: probability of default, loss in the event of default, pre-payment speed and default horizon.

As of March 31, 2011, the valuation method was refined, switching to a more advanced waterfall approach which takes into account the cash flows at the CDO level in addition to those at the level of the underlying assets.

Gross exposure to super senior and senior US RMBS CDO tranches carried at fair value on the balance sheet decreased from EUR 3.92 billion as at December 31, 2010 to EUR 2.46 billion as at June 30, 2011, as a result of the dismantling of US RMBS CDOs. Concerning this position, write-downs recorded in the first half of 2011 amount to EUR 0.13 billion and negatively affect bonds and other debt instruments at fair value through profit or loss booked as assets on the consolidated balance sheet. Net exposure to US RMBS CDO tranches as at June 30, 2011 equals EUR 0.57 billion.

2. US RMBS (RESIDENTIAL MORTGAGE BACKED SECURITIES)

For positions relative to bonds whose underlyings are subprime risks on US residential real estate exposure, the valuation technique had been based on the use of observable prices on benchmark indices, in particular the ABX index, since the second half of 2007. The return of liquidity in the market has allowed individually reliable prices to become available again. As a result, the Group switched its valuation approach during the first half of 2011 to external market prices.

The residual exposure booked at fair value on the balance sheet to US RMBS ⁽¹⁾ increased from EUR 0.21 billion as at December 31, 2010 to EUR 0.90 billion as at June 30, 2011, as a result of the dismantling of US RMBS CDOs.

3. CMBS (COMMERCIAL MORTGAGE BACKED SECURITIES)

CMBS are valued using market parameters. Each US CMBS bond had been valued using the credit spread of its CMBX benchmark index (same vintage, same rating). However, the return of liquidity in the market enabled the Group to switch to a market sourced credit spread for each bond in the first half of 2011.

The residual exposure booked at fair value on the balance sheet to CMBS ⁽¹⁾ increased from EUR 0.26 billion as at December 31, 2010 to EUR 0.38 billion as at June 30, 2011.

⁽¹⁾ Excluding exotic credit derivatives

4. EXPOSURE TO COUNTERPARTY RISK ON MONOLINES

The exposure to counterparty risk on monoline insurers is included under Financial assets at fair value through profit or loss. Indeed, the fair value of the Group's exposure to monoline insurers that have granted credit enhancements on assets, including assets with US real estate underlyings, takes into account the deterioration in the estimated counterparty risk on these players.

The switch to a marked-to-market valuation approach for exposure linked to corporate credit (CLOs) in the first half of 2011 resulted in an increase in the fair value of the protection purchased from these monolines.

Consequently, the estimate of the amounts that may be due to the Societe Generale Group from monoline guarantees increased from EUR 1.82 billion as at December 31, 2010 to EUR 1.99 billion as at June 30, 2011.

Taking into account the combined effects of the changes in protection positions and the purchase of additional CDS (Credit Default Swaps) on monoline insurers, the hedging (CDS and reserves) of gross exposure rose from 77% as at December 31, 2010 to 85% as at June 30, 2011.

During the first half of 2011, the value adjustments calculated for credit risk on monolines decreased by EUR 0.26 billion for a total of EUR 0.59 billion. This adjustment is calculated based on the application of severe cumulative loss rates (up to 90% for the most poorly rated monoline insurers).

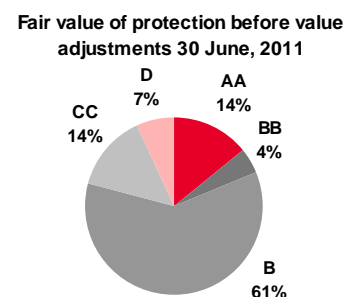
The expected loss rate applied to each monoline is reviewed quarterly and adjusted when needed.

The Group's exposure to counterparty risk on monoline insurers can be broken down into three parts:

- exposure linked to CDO tranches of RMBS, for which our methodology and the parameters applied are the same as for unhedged CDOs;
- exposure linked to non RMBS CDOs (excluding US residential mortgage market) and infrastructure finance, for which we apply a marked-to-stress methodology (maximum historical cumulative loss over five years for each asset class) and a liquidity adjustment derived from the marked-to-market;
- exposure linked to corporate credit (CLOs) and other secured financial instruments measured at marked-to-market.

EXPOSURE TO COUNTERPARTY RISK ON MONOLINES (IMMEDIATE DEFAULT SCENARIO FOR ALL SOCIETE GENERALE GROUP'S MONOLINE INSURER COUNTERPARTIES)

in EUR bn	Dec 31, 2010	June 30, 2011
Fair value of protection before value adjustments	1.82	1.99
Nominal amount of hedges purchased	-0.56	-1.10
Fair value of protection net of hedges and before value adjustments	1.27	0.89
Value adjustments for credit risk on monolines (booked under protection)	-0.85	-0.59
Residual exposure to counterparty risk on monolines	0.42	0.30
Total fair value hedging rate	77%	85%



The rating used is the lowest issued by Moody's or S&P at June 30, 2011

AA : Assured Guaranty
 BB : Radian, Syncora Capital Assurance
 B : MBIA
 CC : CIFG
 D : Ambac

Note 4

Financial assets and liabilities at fair value through profit or loss

Financial assets at fair value through profit or loss

	June 30, 2011				December 31, 2010			
	Valuation on the basis of quoted prices in active markets (L1)	Valuation using observable inputs other than quoted prices included in L1 (L2)	Valuation using mainly inputs that are not based on observable market data (L3)	Total	Valuation on the basis of quoted prices in active markets (L1)	Valuation using observable inputs other than quoted prices included in L1 (L2)	Valuation using mainly inputs that are not based on observable market data (L3)	Total
<i>(In millions of euros)</i>								
Trading portfolio								
Treasury notes and similar securities	48,356	1,059	-	49,415	46,205	607	-	46,812
Bonds and other debt securities ⁽¹⁾	14,968	7,069	3,650	25,687	11,856	6,298	8,042	26,196
Shares and other equity securities ⁽²⁾	66,849	5,758	14	72,621	73,577	7,837	24	81,438
Other financial assets	102	70,557	238	70,897	1	73,982	249	74,232
Sub-total trading portfolio	130,275	84,443	3,902	218,620	131,639	88,724	8,315	228,678
<i>o/w securities on loan</i>				13,200				12,114
Financial assets measured using fair value option through P&L								
Treasury notes and similar securities	21	237	-	258	21	233	-	254
Bonds and other debt securities	7,485	516	25	8,026	6,988	559	22	7,569
Shares and other equity securities ⁽²⁾	13,134	2,000	126	15,260	13,610	1,973	118	15,701
Other financial assets	-	12,926	279	13,205	-	11,961	240	12,201
Sub-total of financial assets measured using fair value option through P&L	20,640	15,679	430	36,749	20,619	14,726	380	35,725
<i>o/w securities on loan</i>				-				-
Interest rate instruments	27	96,878	723	97,628	22	105,417	1,569	107,008
<i>Firm instruments</i>								
Swaps				72,056				78,459
FRA				624				537
<i>Options</i>								
Options on organised markets				8				1
OTC options				17,899				19,697
Caps, floors, collars				7,041				8,314
Foreign exchange instruments	321	26,029	134	26,484	201	27,116	123	27,440
<i>Firm instruments</i>				20,759				21,967
<i>Options</i>				5,725				5,473
Equity and index instruments	338	19,270	1,431	21,039	416	19,697	1,249	21,362
<i>Firm instruments</i>				1,331				961
<i>Options</i>				19,708				20,401
Commodity instruments	339	9,020	218	9,577	318	10,815	366	11,499
<i>Firm instruments-Futures</i>				7,756				9,298
<i>Options</i>				1,821				2,201
Credit derivatives	-	18,317	2,186	20,503	-	21,627	1,381	23,008
Other forward financial instruments	158	13	203	374	146	44	250	440
<i>On organised markets</i>				115				130
<i>OTC</i>				259				310
Sub-total trading derivatives	1,183	169,527	4,895	175,605	1,103	184,716	4,938	190,757
Total financial instruments at fair value through P&L	152,098	269,649	9,227	430,974	153,361	288,166	13,633	455,160

(1) Including transfer from Level 3 to Level 1 of EUR 1,998 million as at June 30, 2011.

(2) Including UCITS.

Note 4 (continued)

Financial assets and liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss

	June 30, 2011				December 31, 2010			
	Valuation on the basis of quoted prices in active markets (L1)	Valuation using observable inputs other than quoted prices included in L1 (L2)	Valuation using mainly inputs that are not based on observable market data (L3)	Total	Valuation on the basis of quoted prices in active markets (L1)	Valuation using observable inputs other than quoted prices included in L1 (L2)	Valuation using mainly inputs that are not based on observable market data (L3)	Total
<i>(In millions of euros)</i>								
Trading portfolio								
Securitised debt payables ⁽³⁾	-	11,494	17,561	29,055	-	11,019	16,341	27,360
Amounts payable on borrowed securities	533	49,049	-	49,582	576	53,711	33	54,320
Bonds and other debt instruments sold short	5,030	75	-	5,105	5,448	311	-	5,759
Shares and other equity instruments sold short	2,430	95	14	2,539	2,259	92	-	2,351
Other financial liabilities	-	68,480	752	69,232	-	60,830	480	61,310
Sub-total trading portfolio ⁽⁴⁾	7,993	129,193	18,327	155,513	8,283	125,963	16,854	151,100
Interest rate instruments	32	94,937	2,167	97,136	7	105,186	2,076	107,269
<i>Firm instruments</i>								
Swaps				70,645				78,035
FRA				572				548
<i>Options</i>								
Options on organised markets				40				23
OTC options				17,530				19,008
Caps, floors, collars				8,349				9,655
Foreign exchange instruments	366	26,323	60	26,749	187	27,423	134	27,744
<i>Firm instruments</i>				20,746				22,449
<i>Options</i>				6,003				5,295
Equity and index instruments	124	23,279	1,183	24,586	157	24,090	1,172	25,419
<i>Firm instruments</i>				1,530				1,402
<i>Options</i>				23,056				24,017
Commodity instruments	338	10,196	351	10,885	391	11,087	449	11,927
<i>Firm instruments-Futures</i>				8,077				9,757
<i>Options</i>				2,808				2,170
Credit derivatives	-	17,093	1,186	18,279	-	19,602	1,346	20,948
Other forward financial instruments	159	1,391	1	1,551	99	1,781	1	1,881
<i>On organised markets</i>				123				101
<i>OTC</i>				1,428				1,780
Sub-total trading derivatives	1,019	173,219	4,948	179,186	841	189,169	5,178	195,188
Sub-total of financial liabilities measured using fair value option through P&L ^{(4) (5)}	223	15,596	703	16,522	460	11,491	724	12,675
Total financial instruments at fair value through P&L	9,235	318,008	23,978	351,221	9,584	326,623	22,756	358,963

Financial liabilities measured using fair value option through profit or loss

	June 30, 2011			December 31, 2010		
	Fair value	Amount repayable at maturity	Difference between fair value and amount repayable at maturity	Fair value	Amount repayable at maturity	Difference between fair value and amount repayable at maturity
<i>(In millions of euros)</i>						
Total financial liabilities measured using fair value option through P&L ^{(4) (5)}	16,522	17,372	(850)	12,676	13,674	(998)

(3) Including transfer from Level 3 to Level 2 of EUR 1,673 million as at June 30, 2011.

(4) The variation in fair value attributable to the Group's own credit generated an expense of EUR 345 million as at June 30, 2011.

The valuation differences attributable to the Group's issuer credit risk are determined using valuation models based on market data, including the curve of the Societe Generale Credit Default Swap (CDS) and taking account of the residual maturity of the related liabilities.

(5) Mainly indexed EMTNs.

Note 5

Available-for-sale financial assets

	June 30, 2011				December 31, 2010			
	Valuation on the basis of quoted prices in active markets (L1)	Valuation using observable inputs other than quoted prices included in L1 (L2)	Valuation using mainly inputs that are not based on observable market data (L3)	Total	Valuation on the basis of quoted prices in active markets (L1)	Valuation using observable inputs other than quoted prices included in L1 (L2)	Valuation using mainly inputs that are not based on observable market data (L3)	Total
<i>(In millions of euros)</i>								
Current assets								
Treasury notes and similar securities	30,376	2,524	1,409 ⁽²⁾	34,309	22,115	2,144	-	24,259
<i>o/w related receivables</i>				458				401
<i>o/w provisions for impairment</i>				(407)				(24)
Bonds and other debt securities	61,733	11,637	597	73,967	54,713	12,292	556	67,561
<i>o/w related receivables</i>				1,035				1,037
<i>o/w provisions for impairment</i>				(397)				(632)
Shares and other equity securities ⁽¹⁾	7,116	462	274	7,852	7,171	589	264	8,024
<i>o/w related receivables</i>				3				2
<i>o/w impairment losses</i>				(2,118)				(2,193)
Sub-total current assets	99,225	14,623	2,280	116,128	83,999	15,025	820	99,844
Long-term equity investments	901	687	2,075	3,663	1,040	611	2,341	3,992
<i>o/w related receivables</i>				4				13
<i>o/w impairment losses</i>				(612)				(726)
Total available-for-sale financial assets	100,126	15,310	4,355	119,791	85,039	15,636	3,161	103,836
<i>o/w securities on loan</i>				94				114

(1) Including UCITS.

(2) Including greek bonds

Note 6

Due from banks

<i>(In millions of euros)</i>	June 30, 2011	December 31, 2010
Deposits and loans		
<i>Demand and overnights</i>		
Current accounts	20,137	15,320
Overnight deposits and loans and others	4,916	4,402
Loans secured by overnight notes	21	4
<i>Term</i>		
Term deposits and loans	20,935	21,635
Subordinated and participating loans	536	570
Loans secured by notes and securities	246	324
Related receivables	143	213
Gross amount ⁽¹⁾	46,934	42,468
Depreciation		
Depreciation for individually impaired loans	(148)	(141)
Depreciation for groups of homogenous receivables	(1)	(10)
Revaluation of hedged items	69	74
Net amount	46,854	42,391
Securities purchased under resale agreements	29,880	27,877
Total	76,734	70,268
Fair value of amounts due from banks	76,880	70,372

(1) As at June 30, 2011, the amount of receivables with incurred credit risk was EUR 285 million compared with EUR 327 million as at December 31, 2010.

Note 7

Customer loans

<i>(In millions of euros)</i>	June 30, 2011	December 31, 2010
Customer loans		
Trade notes	8,960	9,156
Other customer loans		
Short-term loans	104,650	106,925
Export loans	11,186	10,642
Equipment loans	61,855	62,815
Housing loans	101,987	99,305
Other loans	64,768	67,723
Sub-total	344,446	347,410
Overdrafts	19,203	14,901
Related receivables	1,552	1,417
Gross amount ⁽¹⁾	374,161	372,884
Depreciation		
Depreciation for individually impaired loans	(13,881)	(13,496)
Depreciation for groups of homogeneous receivables	(1,274)	(1,227)
Revaluation of hedged items	679	765
Net amount	359,685	358,926
Loans secured by notes and securities	123	59
Securities purchased under resale agreements	16,196	12,913
Total amount of customer loans	376,004	371,898
Fair value of customer loans	384,021	378,068

(1) As at June 30, 2011, the amount of receivables with incurred credit risk was EUR 25,059 million compared with EUR 24,868 million as at December 31, 2010.

Note 8

Due to banks

<i>(In millions of euros)</i>	June 30, 2011	December 31, 2010
Demand and overnight deposits		
Demand deposits and current accounts	10,133	7,986
Overnight deposits and borrowings and others	10,788	8,784
Sub-total	20,921	16,770
Term deposits		
Term deposits and borrowings	44,671	44,564
Borrowings secured by notes and securities	83	166
Sub-total	44,754	44,730
Related payables	152	128
Revaluation of hedged items	58	86
Securities sold under repurchase agreements	19,303	15,597
Total	85,188	77,311
Fair value of amounts due to banks	84,834	77,018

Note 9

Customer deposits

<i>(In millions of euros)</i>	June 30, 2011	December 31, 2010
Regulated savings accounts		
Demand	48,533	44,311
Term	18,230	17,984
Sub-total	66,763	62,295
Other demand deposits		
Businesses and sole proprietors	52,103	50,206
Individual customers	45,035	44,610
Financial customers	40,419	38,509
Others	14,921	16,169
Sub-total	152,478	149,494
Other term deposits		
Businesses and sole proprietors	46,604	45,610
Individual customers	19,014	19,283
Financial customers	20,626	23,501
Others	9,292	9,098
Sub-total	95,536	97,492
Related payables	1,163	1,014
Revaluation of hedged items	97	102
Total customer deposits	316,037	310,397
Borrowings secured by notes and securities	224	239
Securities sold to customers under repurchase agreements	25,133	26,811
Total	341,394	337,447
Fair value of customer deposits	341,392	337,694

Note 10

Securitised debt payables

<i>(In millions of euros)</i>	June 30, 2011	December 31, 2010
Term savings certificates	2,026	2,139
Bond borrowings	12,439	9,939
Interbank certificates and negotiable debt instruments	142,858	128,013
Related payables	790	748
Sub-total	158,113	140,839
Revaluation of hedged items	357	546
Total	158,470	141,385
O/w floating rate securities	43,201	35,351
Fair value of securitised debt payables	158,367	141,672

Note 11

Provisions and depreciations

1. Asset depreciations

<i>(In millions of euros)</i>	Assets depreciations at December 31, 2010	Impairment losses	Reversals available	Net impairment losses	Reversals used	Currency and scope effects	Assets depreciations as at June 30, 2011
Banks	141	22	(23)	(1)	(7)	15	148
Customer loans	13,496	3,495	(2,100)	1,395	(787)	(223)	13,881
Lease financing and similar agreements	563	286	(205)	81	(37)	(4)	603
Groups of homogeneous receivables	1,244	263	(222)	41	-	(4)	1,281
Available-for-sale assets ⁽¹⁾	3,575	525	(330)	195	(88)	(148)	3,534
Others ⁽¹⁾	427	123	(99)	24	(14)	14	451
Total	19,446	4,714	(2,979)	1,735	(933)	(350)	19,898

(1) Including a EUR 363 million net allocation for identified risks.

2. Provisions

<i>(In millions of euros)</i>	Provisions as at December 31, 2010	Allocations	Write-backs available	Net allocation	Write-backs used	Effect of discounting	Currency and scope effects	Provisions as at June 30, 2011
Provisions for off-balance sheet commitments to banks	-	1	-	1	-	-	(1)	-
Provisions for off-balance sheet commitments to customers	226	105	(91)	14	(1)	-	3	242
Provisions for employee benefits	781	184	(103)	81	-	-	(9)	853
Provisions for tax adjustments	411	52	(93)	(41)	(12)	-	(4)	354
Other provisions ^{(2) (3)}	608	156	(79)	77	(18)	-	(48)	619
Total	2,026	498	(366)	132	(31)	-	(59)	2,068

(2) Including a EUR 56 million net allocation for net cost of risk.

(3) The Group's other provisions include EUR 123 million in PEL/CEL provisions as at June 30, 2011 for the French Networks and French Overseas Departments and Territories.

The consequences, as assessed on June 30, 2011, of those disputes and tax risks that are liable to have or have recently had a significant impact on the financial position of the Group, its activities or results have been taken into account in the Group's financial statements.

3. Underwriting reserves of insurance companies

<i>(In millions of euros)</i>	June 30, 2011	December 31, 2010
Underwriting reserves for unit-linked policies	16,847	16,798
Life insurance underwriting reserves	67,427	65,268
Non-life insurance underwriting reserves	621	604
Total	84,895	82,670
Deferred profit-sharing ⁽⁴⁾	(1,217)	(1,068)
Attributable to reinsurers	(366)	(371)
Underwriting reserves of insurance companies net of the part attributable to reinsurers	83,312	81,231

(4) According to the December 19, 2008 CNC recommendation, a test of recoverability was carried out on the provisions for deferred profit-sharing booked in the assets. The accountancy method used for the calculation of the deferred profit-sharing in the assets is based on the consideration of the fair value of the assets compared to their historical value. The recoverability test is based on cash flows forecasts and relies on different stressed assumptions of collection and repurchase. In this context, forecasts on cash flows had been carried out on the base of different scenarios of stress combining or not decrease of turnover and/or increase of the repurchase: the turnover is decreased up to 85% and rates of repurchase are multiplied up to 6 for some years. In these forecasts, it has been proved that no realisation of unrealised losses should be necessary. In these conditions, the test of recoverability is convincing and shows the recoverable character of the deferred profit-sharing booked in the assets.

Note 12

Exposure to sovereign risk on countries that are undergoing a European Union support plan

1. Exposure to sovereign risk

As at June 30, 2011, exposure to sovereign risk on countries that are undergoing a European Union support plan, is presented according the methodology used in the stress tests carried out by the EBA (European Banking Authority):

<i>(In millions of euros)</i>	Banking book			Trading book	Net direct exposure ⁽¹⁾
	o/w payables and receivables	o/w Available-for-sale banking book ⁽¹⁾	o/w held-to-maturity ⁽¹⁾		
Greece	187	1,417	35	234	1,873
Ireland	-	300	-	96	396
Portugal	-	200	10	351	561
Total	187	1,917	45	681	2,830

(1) After allocation for write-down and excluding indirect and direct exposures on derivatives (not significant as at June 30, 2011).

Moreover, as at June 30, 2011, the Group was also exposed to sovereign risk on these same countries as part of its insurance activities; these exposures were not included in the EBA stress tests and are as follows:

<i>(In millions of euros)</i>	Gross exposure ⁽²⁾	Net exposure ⁽³⁾
	Greece	30
Ireland	496	26
Portugal	195	13
Total	721	40

(2) Gross exposure (net book value).

(3) Net exposure after tax and contractual rules on profit-sharing.

2. Evaluation of risks

2.1. Greece

At the European summit held on July 21, 2011, euro area heads of State or government agreed a rescue plan for Greece. Under this plan, Greek government bondholders will have the opportunity to exchange bonds that currently mature between mid-2011 and end-2020 for new bonds to be issued by Greece with longer maturities up to 30 years. This voluntary debt exchange programme, which aims to attract 90% of all eligible bonds, will be carried out under the terms and conditions released, at the same date, by the International Institute of Finance (IIF). Many financial institutions, including Societe Generale, have expressed their support to the programme.

Although the bailout was agreed on July 21, 2011, negotiations had begun in June 2011.

On the basis of this rescue plan, which will shore up stability in Greece and, more broadly, the euro area, the Chairman and Chief Executive Officer confirmed to Societe Generale's Board of Directors on August 2, 2011 his willingness to participate in this roll-over plan. The exact terms and conditions of the exchange will be decided later when all the technical features of the plan will be known.

Greek government bonds held by the Group as *Available-for-sale financial assets* amounted to EUR 1,824.6⁽⁴⁾ million before write-down and Greek government bonds held in the category *Held-to-maturity financial assets* amounted to EUR 45.3 million before write-down. All bonds will mature between mid-2011 and end-2020 and should therefore be eligible for the exchange scheme.

The Group recorded in its half year 2011 consolidated financial statements the consequences of its support to Europe's Greek bailout amid an economic situation marked by expectations of the final terms and conditions of the

rescue, on the one hand, and by the lack of transactions on the market for the majority of Greek government bonds, on the other hand. Accordingly, the Group's Greek government bonds held as *Available-for-sale financial assets* were valued then written down on the basis of a 21% discount on their nominal value⁽⁵⁾. The same discount was used for writing down Greek government bonds held by the Group in the category *Held-to-maturity financial assets*. This discount was determined on the basis of the estimated value of the new bonds that will be received through the exchange, using a normalised yield curve. The expected 9% yield used for this valuation is consistent with market yields on maturities similar to the new 30-year Greek bonds, after a correction of the yield curve as at June 30, 2011, the current inversion of which is typical of an abnormal market configuration. Greek bonds have not been reclassified from one category to another as at June 30, 2011.

The write-down recorded in "Cost of Risk" amounted to EUR 394.8 million; after tax and deduction of non-controlling interests, the impact on Net Group Income amounted to EUR 268.3 million. This charge was recorded in the Corporate Centre's half year income statement and will be reallocated to business lines when the bonds are exchanged.

(4) *Amortised cost before depreciation as at June 30, 2011.*

(5) *Before taking into account these items, unrealised losses on available-for-sale Greek government bonds that were recognised directly in equity amounted to EUR 369.1 million before tax.*

2.2. Other countries undergoing a EU-IMF aid programme (i.e. Ireland and Portugal):

Measures have been taken by the European Union (EU) to avoid the contagion of the Greek crisis to other countries in the euro area. The new maturity and interest rate conditions on Greece's European Financial Stability Facility loans will also apply to the two other countries that are undergoing a EU-IMF aid programme (i.e. Ireland and Portugal).

The situation in Greece and in the two other countries are not comparable. The International Monetary Fund's projections associated with these programmes reveal that the public indebtedness trajectories of Portugal and Ireland are vastly lower than that of Greece. The external ratings released by the rating agencies clearly reflect this stark contrast; the market has also priced in this difference. The Group's internal ratings also factor in these elements.

On this basis, the exposures to these two countries do not give rise to a write-down and have not been reclassified from one category to another as at June 30, 2011.

3. Total amount of unrealised losses recognised in equity for Available-for-sale instruments

<i>(In millions of euros)</i>	June 30, 2011
Greece ⁽⁶⁾	-
Ireland ⁽⁷⁾	46
Portugal	9
Total	55

(6) *Bonds written down, the unrealised loss in shareholders' equity was zero as at June 30, 2011.*

(7) *O.w. EUR 0.9 million for insurance activities (net amount after application of contractual rules on profit sharing).*

4. Fair value as at June 30, 2011 of held-to-maturity financial assets

<i>(In millions of euros)</i>	Book value as at June 30, 2011	Fair value as at June 30, 2011
Greece (written down value of securities, see 2)	36	36
Ireland	-	-
Portugal (market price as at June 30, 2011)	10	8
Total	46	44

Note 13

Societe Generale ordinary shares, treasury shares, shares held by employees and shareholders' equity issued by the Group

1. Ordinary shares issued by Societe Generale S.A.

(Number of shares)	June 30, 2011	December 31, 2010
Ordinary shares	770,323,063	746,421,631
Including treasury shares with voting rights ⁽¹⁾	20,036,883	21,306,663
Including shares held by employees	53,518,238	54,025,794

(1) Doesn't include the Societe Generale shares held for trading.

As at June 30, 2011, Societe Generale S.A.'s fully paid-up capital amounted to EUR 962,903,829 and was made up of 770,323,063 shares with a nominal value of EUR 1.25.

Societe Generale S.A. proceeded in the first half of 2011 to an increase of capital, representing a total of EUR 30 million, with EUR 859 million of issuing premium. This ordinary share issue is due to the exercise by the shareholders of the option to distribute 2010 dividends in Societe Generale shares.

2. Shareholders' equity issued

2.1. Perpetual subordinated notes

Perpetual subordinated notes (TSDI) issued by the Group and that include some discretionary features governing the payment of interests are classified as equity.

As at June 30, 2011, the amount of perpetual subordinated notes (TSDI) issued by the Group and recognised under Group shareholder's equity equals to EUR 844 million.

Issuance Date	Amount issued	Amount in millions of euros	Remuneration
July 1, 1985	EUR 70 M	70	BAR -0.25% with BAR = Bond Average Rate of the period from June, 1 to May, 31 before each due date
November 24, 1986	USD 248 M	171	Average 6-months EuroDollar deposit rates communicated by reference banks +0.075%
June 30, 1994	JPY 15,000 M	129	5.385% until December 2014 and for next due dates: the more favourable rate between the fixed rate and a variable rate + spread defined as follow: Mid Swap Rate JPY 5 years +1.25% until December 2019 and Mid Swap JPY 5 years +2% for the next due dates
December 30, 1996	JPY 10,000 M	86	3.936% until September 2016 and for next due date: the more favourable rate between the fixed rate and a variable rate + spread defined as follow: Mid Swap Rate JPY 5 years +2.0%
March 27, 2007	GBP 350 M	388	5.75% until March 2012 and for the next due dates 3-month GBP Libor +1.10%

Note 13 (continued)

2.2. Preferred shares issued by subsidiaries

Due to the discretionary nature of the decision to pay dividends to shareholders, preferred shares issued by the Group's subsidiaries are classified as equity.

As at June 30, 2011, the amount of preferred shares issued by the Group's subsidiaries and recognised under non-controlling interests equals to EUR 944 million.

Issuance Date	Amount issued	Amount in millions of euros	Remuneration
4th quarter of 2001 (step up clause after 10 years)	USD 335 M	232	6.302%, from 2011 3-months USD Libor +1.92% annually
4th quarter of 2001 (step up clause after 10 years)	USD 90 M	62	3-months USD Libor +0.92%, from 2011 3-months USD Libor +1.92% annually
4th quarter of 2003 (step up clause after 10 years)	EUR 650 M	650	5.419%, from 2013 3-months Euribor +1.95% annually

2.3. Deeply subordinated notes

Given the discretionary nature of the decision to pay dividends to shareholders, they have been classified as equity and recognised under *Equity instruments and associated reserves*.

As at June 30, 2011, the amount of deeply subordinated notes issued by the Group and recognised under Group shareholder's equity equals to EUR 6,218 million.

Issuance Date	Amount issued	Amount in millions of euros	Remuneration
January 26, 2005	EUR 1,000 M	1,000	4.196%, from 2015 3-months Euribor +1.53% annually
April 05, 2007	USD 200 M	138	3-months USD Libor +0.75% annually, from 2017 3-months USD Libor +1.75% annually
April 05, 2007	USD 1,100 M	761	5.922%, from 2017 3-months USD Libor +1.75% annually
December 19, 2007	EUR 595 M *	595	6.999%, from 2018 3-months Euribor +3.35% annually
May 22, 2008	EUR 1,000 M	1,000	7.76%, from 2013 3-months Euribor +3.35% annually
June 12, 2008	GBP 700 M	776	8.875%, from 2018 3-months GBP Libor +3.4% annually
February 27, 2009	USD 450 M	311	3-months USD Libor +6.77% annually
September 4, 2009	EUR 945 M *	945	9.375%, from 2019 3-months Euribor +8.901% annually
October 7, 2009	USD 1,000 M	692	8.75%

Changes related to the perpetual subordinated notes and to the deeply subordinated notes including *Retained earnings* are detailed below:

(In millions of euros)	Deeply subordinated notes	Perpetual subordinated notes	Total
Tax savings on the remuneration to be paid to shareholders and booked under reserves	79	6	85
Remuneration paid booked under dividends (2010 Dividends paid line)	256	28	284

3. Dividend paid

Dividends paid by the Societe Generale Group in 2011 amount to EUR 1,828 million and are detailed in the following table:

(In millions of euros)	Group Share	Non-controlling interests	Total
Ordinary shares	1,287	249	1,536
o/w paid in equity	889	-	889
o/w paid in cash	398	249	647
Other equity instruments	284	8	292
Total	1,571	257	1,828

* Amounts adjusted with respect to the published financial statements as at December 31, 2010 in order to take into account the deeply subordinated notes issued held by entities of the Group.

Note 14

Gains and losses recognised directly in equity

(In millions of euros)

	June 30, 2011	Period	December 31, 2010
Change in gains and losses recognised directly in equity	(859)	(556)	(303)
Translation differences ⁽¹⁾			
Revaluation differences		(556)	
Recycled to P&L		-	
Revaluation of available-for-sale assets	192	693	(501)
Revaluation differences		378	
Recycled to P&L		315	
Cash flow hedge derivatives revaluation	207	78	129
Revaluation differences		78	
Recycled to P&L		-	
Amounts transferred into hedged item value		-	
Net gains and losses recognised directly in equity from companies accounted for by the equity method	14	(1)	15
Tax	29	(171)	200
TOTAL	(417)	43	(460)

	June 30, 2011			December 31, 2010		
	Gross Value	Tax	Net of tax	Gross Value	Tax	Net of Tax
Translation differences	(859)		(859)	(303)		(303)
Revaluation of available-for-sale assets	192	100	292	(501)	243	(258)
Revaluation of hedging derivatives	207	(67)	140	129	(39)	90
Net gains and losses recognised directly in equity from companies accounted for by the equity method	14	(4)	10	15	(4)	11
Total gains and losses recognised directly in equity	(446)	29	(417)	(660)	200	(460)
Group share			(536)			(556)
Non-controlling interests			119			96

(1) The variation in Group translation differences for 2011 amounted to EUR -525 million.

This variation was mainly due to the decrease of the US Dollar against the Euro (EUR -309 million), the Egyptian Pound (EUR -85 million), the Pound sterling (EUR -75 million), the Yen (EUR -44 million) and to the increase of the Czech Koruna against the Euro (EUR 49 million).

The variation in translation differences attributable to non-controlling interests amounted to EUR -31 million.

This was mainly due to the revaluation of the Czech Koruna against the Euro (EUR 34 million) and to the decrease of the Egyptian Pound (EUR -27 million) and the US Dollar (EUR -24 million).

NOTE 15

Interest income and expense

<i>(In millions of euros)</i>	June 30, 2011	December 31, 2010	June 30, 2010
Transactions with banks	922	1,592	751
Demand deposits and interbank loans	722	1,259	577
Securities purchased under resale agreements and loans secured by notes and securities	200	333	174
Transactions with customers	8,434	16,448	8,504
Trade notes	317	737	384
Other customer loans	7,681	14,968	7,744
Overdrafts	375	683	350
Securities purchased under resale agreements and loans secured by notes and securities	61	60	26
Transactions in financial instruments	5,027	8,685	4,023
Available-for-sale financial assets	1,837	3,059	1,504
Held-to-maturity financial assets	38	79	40
Securities lending	13	27	17
Hedging derivatives	3,139	5,520	2,462
Finance leases	718	1,569	787
Real estate finance leases	137	251	120
Non-real estate finance leases	581	1,318	667
Total interest income	15,101	28,294	14,065
Transactions with banks	(677)	(1,292)	(557)
Interbank borrowings	(587)	(1,148)	(482)
Securities sold under resale agreements and borrowings secured by notes and securities	(90)	(144)	(75)
Transactions with customers	(3,301)	(6,307)	(3,067)
Regulated savings accounts	(591)	(1,076)	(498)
Other customer deposits	(2,485)	(5,070)	(2,515)
Securities sold under resale agreements and borrowings secured by notes and securities	(225)	(161)	(54)
Transactions in financial instruments	(4,915)	(8,724)	(3,944)
Securitised debt payables	(1,209)	(1,708)	(779)
Subordinated and convertible debt	(250)	(539)	(274)
Securities borrowing	(38)	(54)	(33)
Hedging derivatives	(3,418)	(6,423)	(2,858)
Other interest expense	-	(1)	(1)
Total interest expense ⁽¹⁾	(8,893)	(16,324)	(7,569)
Including interest income from impaired financial assets	235	443	221

(1) These expenses include the refinancing cost of financial instruments at fair value through P&L, which is classified in net gain or loss (see note 17). Insofar as income and expenses booked in the income statement are classified by type of instruments rather than by purpose, the net income generated by the activities on financial instruments at fair value through P&L must be assessed as a whole.

Note 16

Fee income and expense

<i>(In millions of euros)</i>	June 30, 2011	December 31, 2010	June 30, 2010
Fee income from			
Transactions with banks	123	277	140
Transactions with customers	1,455	2,821	1,379
Securities transactions	338	626	312
Primary market transactions	164	111	40
Foreign exchange transactions and financial derivatives	445	875	504
Loan and guarantee commitments	401	804	402
Services	2,059	4,202	2,063
Others	164	322	143
Total fee income	5,149	10,038	4,983
Fee expense on			
Transactions with banks	(130)	(316)	(153)
Securities transactions	(307)	(487)	(266)
Foreign exchange transactions and financial derivatives	(361)	(727)	(415)
Loan and guarantee commitments	(61)	(89)	(46)
Others	(497)	(934)	(426)
Total fee expense	(1,356)	(2,553)	(1,306)

Note 17

Net gains and losses on financial instruments at fair value through P&L

<i>(In millions of euros)</i>	June 30, 2011	December 31,	
		2010	June 30, 2010
Net gain/loss on non-derivative financial assets held for trading	2,796	8,743	1,176
Net gain/loss on financial assets measured using fair value option	558	180	13
Net gain/loss on non-derivative financial liabilities held for trading	(3,516)	(3,500)	(756)
Net gain/loss on financial liabilities measured using fair value option	(804)	(471)	(212)
Net gain/loss on derivative instruments	3,421	(2,110)	(59)
Net income from fair value hedging instruments	(31)	761	1,548
Revaluation of hedged items attributable to hedged risks	181	(712)	(1,210)
Ineffective portion of cash flow hedge	-	1	-
Net gain/loss on foreign exchange transactions	(306)	2,449	1,909
Total ⁽¹⁾	2,299	5,341	2,409

(1) Insofar as income and expenses booked in the income statement are classified by type of instruments rather than by purpose, the net income generated by the activities on financial instruments at fair value through P&L must be assessed as a whole. It should be noted that the income shown here does not include the refinancing cost of these financial instruments, which is shown among interest expense and interest income.

The remaining amount to be registered in the income statement resulting from the difference between the transaction price and the amount which would be established at this date using valuation techniques, minus the amount registered in the income statement after initial recognition in the accounts, breaks down as follows:

<i>(In millions of euros)</i>	June 30, 2011	December 31,	
		2010	June 30, 2010
Remaining amount to be registered in the income as at the beginning of the period	796	823	823
Amount generated by new transactions within the period	195	362	197
Amount registered in the income statement within the period	(209)	(389)	(160)
<i>Depreciation</i>	(93)	(227)	(111)
<i>Switch to observable parameters</i>	(31)	(54)	(37)
<i>Expired or terminated</i>	(67)	(140)	(59)
<i>Translation differences</i>	(18)	32	47
Remaining amount to be registered in the income statement as at the end of the period	782	796	860

This amount is registered in the income statement according to the spread over time or when the valuation techniques switch to observable parameters.

Note 18

Net gains and losses on available-for-sale financial assets

<i>(In millions of euros)</i>	June 30, 2011	December 31,	
		2010	June 30, 2010
Current activities			
Gains on sale ⁽¹⁾	254	227	121
Losses on sale ⁽²⁾	(248)	(149)	(68)
Impairment losses on variable income securities	(21)	(110)	(42)
Deferred profit sharing on available-for-sale financial assets of insurance subsidiaries	(20)	23	3
Sub-total	(35)	(9)	14
Long-term equity investments			
Gains on sale	108	174	87
Losses on sale	(5)	(25)	(13)
Impairment losses on variable income securities	(6)	(107)	(66)
Sub-total	97	42	8
Total	62	33	22

(1) O/w EUR 73 million for Insurance activities as at June 30, 2011.

(2) O/w EUR -39 million for Insurance activities as at June 30, 2011.

Note 19

Personnel expenses

<i>(In millions of euros)</i>	June 30, 2011	December 31, 2010	June 30, 2010
Employee compensation	(3,545)	(6,853)	(3,342)
Social security charges and payroll taxes	(667)	(1,287)	(664)
Net retirement expenses - defined contribution plans	(310)	(616)	(298)
Net retirement expenses - defined benefit plans	(59)	(125)	(69)
Other social security charges and taxes	(204)	(397)	(206)
Employee profit-sharing and incentives	(167)	(281)	(149)
Total	(4,952)	(9,559)	(4,728)

Note 20

Share-based payment plans

1. Expenses recorded in the income statement

(In millions of euros)	June 30, 2011			December 31, 2010			June 30, 2010		
	Cash-settled plans	Equity-settled plans	Total plans	Cash-settled plans	Equity-settled plans	Total plans	Cash-settled plans	Equity-settled plans	Total plans
Net expenses from stock purchase plans	-	-	-	-	-	-	-	-	-
Net expenses from stock option and free share plans	119.4	96.4	215.8	304.5	92.3	396.8	179.5	52.9	232.4

The charge described above relates to equity-settled plans and to cash-settled plans.

2. Main characteristics of new plans granted in the first half of 2011

Equity-settled plans for Group employees for the half year ended June 30, 2011 are briefly described below:

Issuer	Societe Generale
Year of grant	2011
Type of plan	performance shares
Shareholders agreement	05.25.2010
Board of Directors decision	03.07.2011
Number of free shares granted	2,351,605
Settlement	Societe Generale shares
Vesting period	03.07.2011 - 03.31.2013 (1)
Performance conditions	yes (2)
Resignation from the Group	forfeited
Redundancy	forfeited
Retirement	maintained
Death	maintained for 6 months
Share price at grant date	46.55
Shares forfeited at June 30, 2011	1,870
Shares outstanding at June 30, 2011	2,349,735
Number of shares reserved at June 30, 2011	2,349,735
Share price of shares reserved (in EUR)	45.67
Total value of shares reserved (in EUR million)	107
First authorized date for selling the shares	03.31.2015
Delay for selling after vesting period	2 years (3)
Fair value (% of the share price at grant date)	86%
Valuation method used to determine the fair value	Arbitrage

(1) For the non-french tax residents, the vesting period is increased by two years.

(2) The performance conditions depend on the division, the business line, the category of population. There are based on performance indicators as the net income, the earnings per share, the operating income, the operating losses. The performance condition called "Group performance condition" which is applied to the most larger beneficiaires is based on the net income, Group share 2012.

(3) For the non-french tax residents, there is no mandatory holding period.

3. Information on other plans

ALLOCATION OF SOCIETE GENERALE SHARES WITH A DISCOUNT

Global employee share-ownership plan

As part of the Group employee shareholding policy, Societe Generale offered on the 04/19/11 to employees of the Group to subscribe to a reserved capital increase at a share price of EUR 37.50, with a discount of 20% reported at the average of the 20 Societe Generale share prices before this date.

Number of shares subscribed was 5,756,928. There is no expense for this plan. Indeed, the valuation model used, which complies with the recommendation of the National Accounting Council on the accounting treatment of company savings plans, compares the gain the employee would have obtained if he had been able to sell the shares immediately and the notional cost that the 5-year holding period represents to the employee. This model leads to a unit value equal to 0: the average of the 20 Societe Generale share prices during the subscription period (from May, 11 to May, 26) decreased by the cost of the 5-year holding is lower than the subscription price.

TCW free shares plan 2010 - New grants in 2011

Equity-settled plan

During the first half of 2011, TCW has proceed to new grants on the free shares plan set up in 2010. These new grants represent 1,343,500 shares. The grants are subjected to presence conditions and, partially, to performance conditions. The vesting period spreads over four years. The plan includes a guarantee of liquidity in cash.

Note 21

Cost of risk

<i>(In millions of euros)</i>	June 30, 2011	December 31, 2010	June 30, 2010
Counterparty risk			
Net allocation to impairment losses ⁽¹⁾	(1,894)	(3,963)	(2,110)
Losses not covered	(190)	(359)	(99)
on bad loans	(174)	(312)	(85)
on other risks	(16)	(47)	(14)
Amounts recovered	77	198	89
on bad loans	72	197	88
on other risks	5	1	1
Other risks			
Net allocation to other provisions	(56)	(36)	(22)
Total	(2,063)	(4,160)	(2,142)

(1) O/w EUR -394.8 million depreciation on greek bonds (see note 12).

Note 22

Income tax

<i>(In millions of euros)</i>	June 30, 2011	December 31, 2010	June 30, 2010
Current taxes	(737)	(1,425)	(730)
Deferred taxes	50	(117)	(76)
Total taxes ⁽¹⁾	(687)	(1,542)	(806)

(1) Reconciliation of the difference between the Group's normative tax rate and its effective tax rate:

	June 30, 2011	December 31, 2010	June 30, 2010
Income before tax excluding net income from companies accounted for by the equity method and impairment losses on goodwill (in millions of euros)	2,506	5,724	3,052
Normal tax rate applicable to French companies (including 3.3% tax contributions)	34.43%	34.43%	34.43%
Permanent differences	-1.59%	-1.78%	-3.66%
Differential on items taxed at reduced rate	-0.69%	-0.14%	-0.33%
Tax rate differential on profits taxed outside France	-5.76%	-5.20%	-4.05%
Impact of non-deductible losses and use of tax losses carried forward	1.01%	-0.37%	0.01%
Group effective tax rate	27.40%	26.94%	26.40%

In France, the standard corporate income tax rate is 33.33%. Additionally, a Contribution Sociale (national contribution payment based on pre-tax earnings) was introduced in 2000 equal to 3.3% (after a deduction from basic taxable income of EUR 0.76 million). Since January 1, 2007, 95% of long-term capital gains on equity investments are exempted resulting in an effective rate of 1.72%. Dividends from companies in which Societe Generale's interest is at least 5% are tax exempt.

The standard tax rate applicable to French companies to determine their deferred tax is 34.43%. The reduced rate is 1.72% taking into account the nature of the taxed transactions.

Note 23

Earnings per share

<i>(In millions of euros)</i>	June 30, 2011	December 31, 2010	June 30, 2010
Net income, Group share	1,663	3,917	2,147
Net attributable income to deeply subordinated notes	150	311	155
Net attributable income to deeply undated subordinated notes shareholders	12	25	12
Net attributable income to ordinary shareholders	1,501	3,581	1,980
Weighted average number of ordinary shares outstanding ⁽¹⁾	733,928,289	721,724,753	719,465,057
Earnings per ordinary share (In EUR)	2.05	4.96	2.75

<i>(In millions of euros)</i>	June 30, 2011	December 31, 2010	June 30, 2010
Net income, Group share	1,663	3,917	2,147
Net attributable income to deeply subordinated notes	150	311	155
Net attributable income to deeply undated subordinated notes shareholders	12	25	12
Net attributable income to ordinary shareholders	1,501	3,581	1,980
Weighted average number of ordinary shares outstanding ⁽¹⁾	733,928,289	721,724,753	719,465,057
Average number of ordinary shares used in the dilution calculation ⁽²⁾	2,954,152	3,436,912	3,438,689
Weighted average number of ordinary shares used in the dilution calculation net earnings per share	736,882,441	725,161,665	722,903,746
Diluted earnings per ordinary share (In EUR)	2.04	4.94	2.74

The dividend paid in 2011 regarding 2010 financial year amounts to EUR 1.75 per share.

(1) Excluding treasury shares.

(2) The number of shares used in the dilution calculation is computed using the "shares buy-back" method and takes into account free shares and stock-options plans.

Stock-option plans' dilutive effect depends on the average stock-market price of Societe Generale which is EUR 44.67 for 2011. In this context, as at June 30, 2011, the 2009 stock-option plan without performance condition has a dilutive effect.

The number of shares used in the dilution calculation also includes free shares without performance condition of 2009 and 2010 plans.

Note 24

Sector information

Sector information by business lines

	French Network			International Retail Banking			Specialised Financial Services and Insurance		
	June 30, 2011	December 31, 2010	June 30, 2010	June 30, 2011	December 31, 2010	June 30, 2010	June 30, 2011	December 31, 2010	June 30, 2010
<i>(In millions of euros)</i>									
Net banking income	4,076	7,791	3,823	2,449	4,930	2,423	1,744	3,539	1,775
Operating expenses ⁽²⁾	(2,617)	(5,058)	(2,481)	(1,492)	(2,769)	(1,357)	(928)	(1,841)	(912)
Gross operating income	1,459	2,733	1,342	957	2,161	1,066	816	1,698	863
Cost of risk	(339)	(864)	(448)	(591)	(1,340)	(700)	(427)	(1,174)	(610)
Operating income	1,120	1,869	894	366	821	366	389	524	253
Net income from companies accounted for by the equity method	4	8	4	5	11	6	9	(12)	(8)
Net income / expense from other assets	1	6	5	4	1	4	(2)	(5)	(4)
Impairment of goodwill	-	-	-	-	1	-	-	-	-
Earnings before tax	1,125	1,883	903	375	834	376	396	507	241
Income tax	(381)	(637)	(306)	(82)	(156)	(71)	(111)	(148)	(71)
Net income before non controlling interests	744	1,246	597	293	678	305	285	359	170
Non controlling interests	8	13	6	133	186	66	8	16	8
Net income, Group share	736	1,233	591	160	492	239	277	343	162

Private Banking, Global Investment Management and Services

	Asset Management			Private Banking			SGSS, Brokers		
	June 30, 2011	December 31, 2010	June 30, 2010	June 30, 2011	December 31, 2010	June 30, 2010	June 30, 2011	December 31, 2010	June 30, 2010
<i>(In millions of euros)</i>									
Net banking income	169	477	218	414	699	325	544	1,094	553
Operating expenses ⁽²⁾	(165)	(457)	(227)	(310)	(551)	(264)	(508)	(994)	(486)
Gross operating income	4	20	(9)	104	148	61	36	100	67
Cost of risk	-	(3)	(3)	(11)	(4)	(1)	(13)	-	(1)
Operating income	4	17	(12)	93	144	60	23	100	66
Net income from companies accounted for by the equity method	62	100	47	-	-	-	-	-	(1)
Net income / expense from other assets	-	(1)	-	-	-	-	2	-	-
Impairment of goodwill	-	-	-	-	-	-	-	-	-
Earnings before tax	66	116	35	93	144	60	25	100	65
Income tax	(1)	(5)	4	(18)	(33)	(13)	(8)	(33)	(22)
Net income before non controlling interests	65	111	39	75	111	47	17	67	43
Non controlling interests	-	-	-	1	-	-	-	-	-
Net income, Group share	65	111	39	74	111	47	17	67	43

	Corporate and Investment Banking			Corporate Centre ⁽¹⁾			Societe Generale Group		
	June 30, 2011	December 31, 2010	June 30, 2010	June 30, 2011	December 31, 2010	June 30, 2010	June 30, 2011	December 31, 2010	June 30, 2010
<i>(In millions of euros)</i>									
Net banking income ⁽³⁾	4,115	7,836	3,895	(389)	52	248	13,122	26,418	13,260
Operating expenses ⁽²⁾	(2,478)	(4,706)	(2,226)	(119)	(169)	(113)	(8,617)	(16,545)	(8,066)
Gross operating income	1,637	3,130	1,669	(508)	(117)	135	4,505	9,873	5,194
Cost of risk	(281)	(768)	(375)	(401)	(7)	(4)	(2,063)	(4,160)	(2,142)
Operating income	1,356	2,362	1,294	(909)	(124)	131	2,442	5,713	3,052
Net income from companies accounted for by the equity method	-	9	9	(2)	3	1	78	119	58
Net income / expense from other assets	65	(6)	(2)	(6)	16	(3)	64	11	-
Impairment of goodwill	-	-	-	-	-	-	-	1	-
Earnings before tax	1,421	2,365	1,301	(917)	(105)	129	2,584	5,844	3,110
Income tax	(376)	(625)	(346)	290	95	19	(687)	(1,542)	(806)
Net income before non controlling interests	1,045	1,740	955	(627)	(10)	148	1,897	4,302	2,304
Non controlling interests	5	10	4	79	160	73	234	385	157
Net income, Group share	1,040	1,730	951	(706)	(170)	75	1,663	3,917	2,147

(1) Income and expense not directly related to the business lines' activity are recorded under the Corporate Center's profit or loss. Thus the debt revaluation differences linked to own credit risk (EUR -345 million at June 30, 2011) are allocated to the Corporate Centre.

(2) Including depreciation and amortisation.

(3) Breakdown of Net banking income by business for "Corporate and Investment Banking":

	June 30, 2011	December 31, 2010	June 30, 2010
<i>(In millions of euros)</i>			
Global Markets	2,734	5,021	2,589
Financing and Advisory	1,296	2,744	1,258
Legacy Assets	85	71	48
Total Net banking income	4,115	7,836	3,895

Note 24 (continued)

Sector information

Sector information by business line

<i>(In millions of euros)</i>	French Networks		International Retail banking		Specialised Financial Services and Insurance		Corporate and Investment Banking	
	June 30, 2011	December 31, 2010	June 30, 2011	December 31, 2010	June 30, 2011	December 31, 2010	June 30, 2011	December 31, 2010
	Sector assets	193,529	191,428	94,738	92,875	139,659	136,449	599,189
Sector liabilities ⁽⁴⁾	157,913	150,997	73,180	73,081	91,808	89,910	633,692	611,663

Private Banking, Global Investment Management and Services

<i>(In millions of euros)</i>	Asset Management		Private Banking		SGSS, Brokers		Division Total		Corporate Center ⁽⁵⁾		Societe Generale Group	
	June 30, 2011	December 31, 2010	June 30, 2011	December 31, 2010	June 30, 2011	December 31, 2010	June 30, 2011	December 31, 2010	June 30, 2011	December 31, 2010	June 30, 2011	December 31, 2010
	Sector assets	2,769	2,941	20,273	20,678	55,209	50,003	78,251	73,622	52,642	27,903	1,158,008
Sector liabilities ⁽⁴⁾	603	650	26,035	24,755	65,107	65,940	91,745	91,345	57,568	64,101	1,105,906	1,081,097

(4) Sector liabilities correspond to debts (i.e. total liabilities except equity).

(5) Assets and liabilities not directly related to the business lines' activities are recorded on the Corporate Center's balance sheet. Thus the debt revaluation differences linked to own credit risk are allocated to the Corporate Centre.

Note 24 (continued)

Sector information

Sector information by geographical region

Geographical breakdown of Net banking income

	France			Europe			Americas			
	June 30, 2011	December 31, 2010	June 30, 2010	June 30, 2011	December 31, 2010	June 30, 2010	June 30, 2011	December 31, 2010	June 30, 2010	
<i>(In millions of euros)</i>										
Net interest and similar income	3,334	6,345	3,633	2,190	4,029	2,064	268	726	319	
Net fee income	2,379	4,506	2,193	881	1,764	881	279	692	337	
Net income / expense from financial transactions	374	1,873	517	920	2,058	1,005	681	823	631	
Other net operating income	(14)	354	159	582	956	429	31	(35)	(26)	
Net banking income	6,073	13,078	6,502	4,573	8,807	4,379	1,259	2,206	1,261	

	Asia			Africa			Oceania			Total			
	June 30, 2011	December 31, 2010	June 30, 2010	June 30, 2011	December 31, 2010	June 30, 2010	June 30, 2011	December 31, 2010	June 30, 2010	June 30, 2011	December 31, 2010	June 30, 2010	
<i>(In millions of euros)</i>													
Net interest and similar income	95	159	59	468	909	451	13	120	69	6,368	12,288	6,595	
Net fee income	71	137	70	183	368	179	-	18	17	3,793	7,485	3,677	
Net income / expense from financial transactions	373	577	272	20	82	40	(6)	(39)	(34)	2,362	5,374	2,431	
Other net operating income	-	3	-	-	(5)	(4)	-	(2)	(1)	599	1,271	557	
Net banking income	539	876	401	671	1,354	666	7	97	51	13,122	26,418	13,260	

Geographical breakdown of balance sheet items

	France		Europe		Americas	
	June 30, 2011	December 31, 2010	June 30, 2011	December 31, 2010	June 30, 2011	December 31, 2010
<i>(In millions of euros)</i>						
Sector assets	840,861	813,508	160,716	159,882	115,306	117,275
Sector liabilities ⁽⁵⁾	796,260	770,503	154,533	153,416	116,629	118,411

	Asia		Africa		Oceania		Total	
	June 30, 2011	December 31, 2010	June 30, 2011	December 31, 2010	June 30, 2011	December 31, 2010	June 30, 2011	December 31, 2010
<i>(In millions of euros)</i>								
Sector assets	18,556	18,000	22,541	23,222	28	185	1,158,008	1,132,072
Sector liabilities ⁽⁵⁾	17,868	17,463	20,568	21,161	48	143	1,105,906	1,081,097

(5) Sector liabilities correspond to debts (i.e. total liabilities except equity).