



03/ 11/2008

Specific financial information Q3 08

**(based on FSF recommendations
for financial transparency)**



Contents

- ▶ Unhedged CDOs exposed to the US residential mortgage sector
- ▶ Write-downs on assets of unhedged CDOs exposed to the US residential mortgage sector
- ▶ Unhedged CDOs: valuation assumptions and sensitivities, comparison with the ABX indices
- ▶ Protection purchased to hedge exposures to CDOs and other assets
- ▶ Protection purchased to hedge exposures to CDOs and other assets: valuation method
- ▶ Exposure to counterparty risk on monoline insurers, hedging of CDOs and other assets
- ▶ Exposure to CMBS'
- ▶ Exposure to US residential mortgage market: residential loans and RMBS'
- ▶ Exposure to residential mortgage markets in Spain and the UK
- ▶ Commercial conduits
- ▶ Exotic credit derivatives
- ▶ Portfolio of assets transferred by SGAM or sold by SGAM funds
- ▶ Exposure to LBO financing

Unhedged CDOs exposed to the US residential mortgage sector

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

* Excluding CDOs of RMBS' (at 30/09/2008)
 (i) Previously hedged and booked as trading:
 - total nominal amount EUR 134m,
 - weighted attachment point: 70%
 - residual risk after write-down: EUR 98m

(ii) Booked as AFS after reintermediation (PACE, etc.):
 - nominal amount EUR 155m,
 - weighted attachment point: 7 %
 - residual risk after write-down: EUR 6m

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

(1) Exposure at closing price

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

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

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

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

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

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

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

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

■ Cumulative loss rate

▶ Subprimes

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

- ▶ Mid-primes and Alt-A: assumptions for losses amounting to $\frac{2}{3}$ of the assumptions used for underlying subprime assets
- ▶ Primes: assumptions for losses amounting to 14% of the assumptions used for underlying subprime assets

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

■ Write-down rate: comparison with ABX indices

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

■ Assumptions for total losses for the US residential mortgage market

- ▶ End-March and end-June 2008: around USD 385bn
- ▶ End-September 2008: around USD 410bn

Protection purchased to hedge exposures to CDOs and other assets

■ From monoline insurers

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

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

■ From other counterparties

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



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

■ CDOs on the US residential mortgage market

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

■ Corporate loan CLOs

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

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

- ▶ Application of methods similar to those used for CLOs

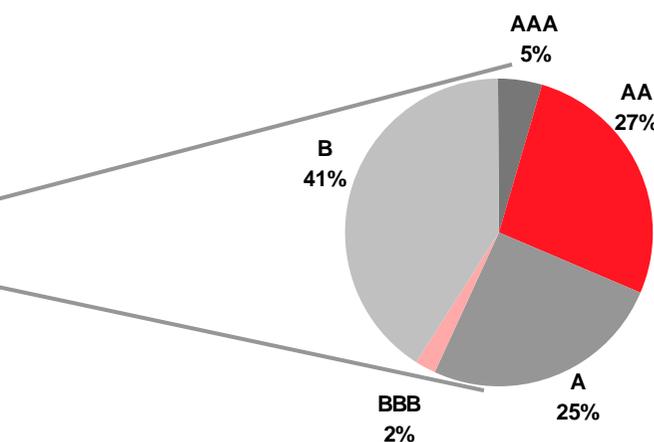
Liquidity add-on for all hedged assets, reflecting the changes in the indices or spreads

Exposure to counterparty risk on monoline insurers (a) Hedging of CDOs and other assets

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

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

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



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

AAA: Assured Guaranty, FSA

AA: Ambac

A: MBIA

BBB: Radian

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

Exposure to CMBS^(a)

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

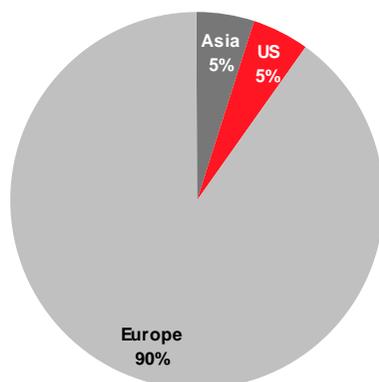
(1) Net of hedging and loss of value

(2) Remaining capital of assets before hedging

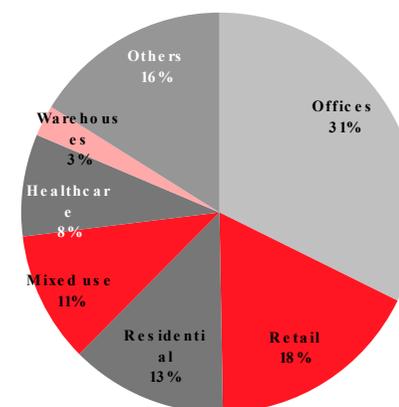
(3) Mainly includes disposals during the quarter, foreign exchange effects and specific reserves booked at 30/06/2008

* As a % of remaining capital

90% of European underlying assets*



A well-diversified portfolio*



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

Exposure to US residential mortgage market: residential loans and RMBS'

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

■ RMBS in the US (a)

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

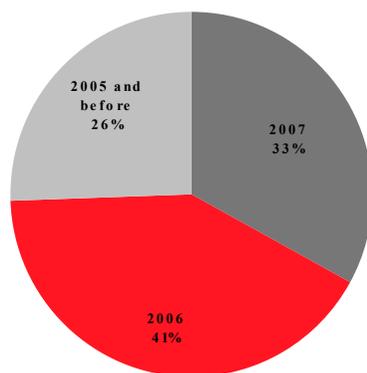
(1) Net of hedging and loss of value

(2) Remaining capital of assets before hedging

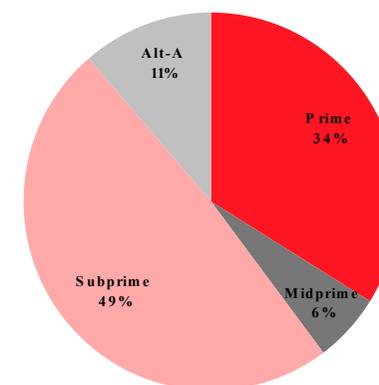
(3) Mainly includes disposals during the quarter, foreign exchange effects and specific reserves booked at 30/06/2008

* As a % of remaining capital

Breakdown of subprime assets by vintage*



Breakdown of RMBS portfolio by type*



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

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

Exposure to residential mortgage markets in Spain and the UK

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

■ RMBS “Spain”(a)

In EUR m	June 30th 08	Q3 08			Sept 30th 2008			
	Net exposure ⁽¹⁾	Impact on income statement	Impact on equity	Other movements ⁽³⁾	Net exposure ⁽¹⁾	Gross exposure ⁽²⁾	%AAA*	% AA & A*
Trading portfolio	418	- 28	-	- 59	331	433	71%	25%
<i>o.w. assets sold or transferred by SGAM to Corporate and Investment Banking</i>	406	- 28	-	- 59	319	417	70%	25%
AFS portfolio	209	7	- 17	- 9	191	225	96%	1%
<i>o.w. assets sold or transferred by SGAM to the Corporate Centre</i>	207	7	- 15	- 11	188	217	99%	1%
HTM portfolio <i>(o.w. assets sold or transferred by SGAM to the Corporate Centre)</i>	29	0	-	- 6	23	24	100%	0%
TOTAL	656	- 21	- 17	- 74	544	682	80%	16%

■ RMBS “UK”(a)

In EUR m	June 30th 08	Q3 08			Sept 30th 2008			
	Net exposure ⁽¹⁾	Impact on income statement	Impact on equity	Other movements ⁽³⁾	Net exposure ⁽¹⁾	Gross exposure ⁽²⁾	%AAA*	% AA & A*
Trading portfolio	469	- 101	-	- 51	318	502	27%	64%
<i>o.w. assets sold or transferred by SGAM to Corporate and Investment Banking</i>	463	- 99	-	- 49	315	495	27%	63%
AFS portfolio	204	4	- 23	- 35	149	196	53%	34%
<i>o.w. assets sold or transferred by SGAM to the Corporate Centre</i>	159	4	- 12	- 36	115	138	64%	33%
HTM portfolio <i>(o.w. assets sold or transferred by SGAM to the Corporate Centre)</i>	21	- 0	-	- 1	20	21	18%	82%
TOTAL	694	- 97	- 23	- 87	487	719	33%	56%

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

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

* As a % of remaining capital

Commercial conduits (1/2)

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

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

(1) Conduit country of issuance

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

(2) 2 tranches: AAA & AA

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

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

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

Commercial conduits ^(2/2)

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

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

■ Conduits sponsored by third parties ⁽¹⁾

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

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

Exotic credit derivatives

- **Business portfolio linked to client-driven activity**
 - ▶ Securities indexed on ABS credit portfolios marketed to investors
 - ▶ Hedging of credit protection generated in SG's accounts by the purchase of the underlying ABS portfolio and the sale of indices
 - ▶ Dynamic hedge management based on changes in credit spreads by adjusting the portfolio of ABS' held, positions on indices and the marketed securities
- **Net position as 5-yr equivalent: EUR -0.5bn**
 - ▶ EUR 3.7bn of securities disposed of since the start of the year
 - ▶ 95% of portfolio made up of A-rated securities and above
- **Specific reserve for this activity: EUR 0.7bn**

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

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

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

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

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

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

* With a constant exchange rate

Portfolio of assets transferred by SGAM or sold by SGAM funds

- Excluding RMBS' in the UK and Spain, and CMBS' sold or transferred by SGAM included in the aforementioned exposures (pages 8,10 and 11)

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

* Calculation based on the remaining capital due

- No new asset purchases in Q3 08

Exposure to LBO financing (total final take and for sale) (1/2)

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

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

■ Corporate and Investment Banking

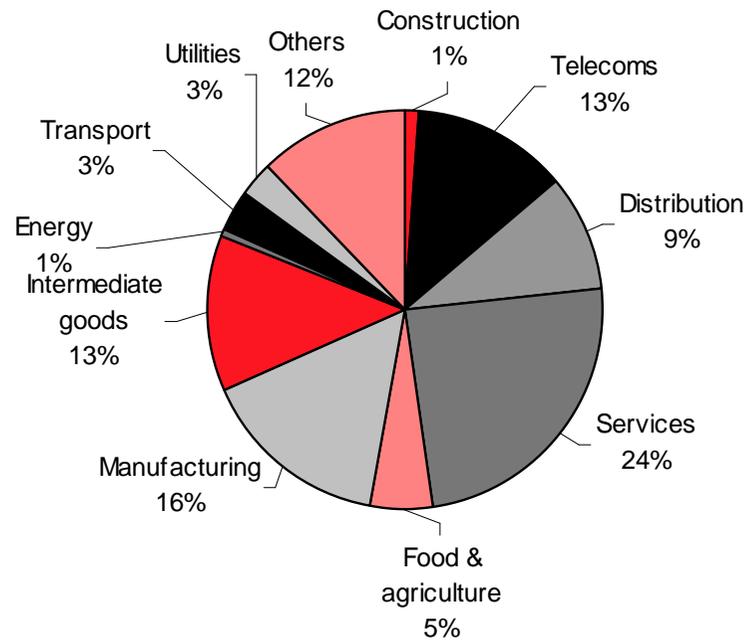
- ▶ Write-down stock of EUR 61m on units for sale marked at 90% on senior commitments and 85% on junior commitments
- ▶ Portfolio-based provision for final take at September 30th 2008: EUR 100m



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

EUR 5.5bn

Sector breakdown



Geographic breakdown

