

**Société Générale Effekten GmbH
Frankfurt am Main**

**Management Report
for Fiscal Year 2012**

Strategic orientation

Société Générale Effekten GmbH issues warrants and certificates that are sold entirely to the parent company Société Générale S.A., Paris, as well as Société Générale Option Europe S.A., Paris, and Inora LIFE Limited, Dublin, all of which are wholly owned subsidiaries of Société Générale S.A.

This activity has no influence on the issuer's economic situation, because the issues are placed whenever possible with end buyers by Société Générale S.A., Paris.

Business developments

The 2012 fiscal year was characterized by an increase in issue volume in the areas of warrants and certificates compared to the prior year.

The amount issued per product decreased significantly in 2011 as a result of the introduction of the "up-to global note," which also led to a reduction in total assets. With this process, the amount of the issue depends on the expected demand and can be increased incrementally as necessary. This reduces non-placement of the issue volume.

In fiscal year 2012, warrants were issued in a total of 17,719 issues (previous year: 10,150). In addition to 6,967 issues on equities, 5,885 issues were floated on various indices, 430 on fixed income, 207 on currencies and 4,230 on commodities.

Furthermore, 14,681 certificate products were issued in 2012 (previous year: 12,820), mainly bonus and discount certificates again.

Financial position, cash flows and results of operations

Financial position

Total assets decreased year-on-year by EUR 12,725 million to EUR 30,434 million.

The Company's subscribed capital remains unchanged at EUR 26 thousand. In addition, the Company has retained profits brought forward in the amount of EUR 591 thousand at its disposal. The Company's equity was increased to EUR 833 thousand (previous year: EUR 617 thousand) by the amount of net income earned in 2012, in the amount of EUR 215 thousand (previous year: EUR 103 thousand).

All receivables are owed by the sole shareholder. There are no default risks beyond the Société Générale Group.

Results of operations

The Company does not earn a profit from new issue activities, because the proceeds from sales of issued warrants and certificates are always offset by the expenses for the purchase of corresponding hedging transactions.

Personnel and other operating expenses are charged to Société Générale S.A., Paris, based on a "cost-plus" rule. By virtue of this concept, the Company cannot incur a fiscal year net loss, regardless of sales revenue.

Cash flows

The nature and execution of the Company's business activities are designed to ensure that its cash flows are always balanced. Cash transactions arise from the issues and the corresponding hedging transactions, from the settlement of personnel and other operating expenses and from the charging of these expenses to Société Générale S.A., Paris.

Risk Report

The Company's risk situation is largely determined by the simplicity of its business structure and by its close affiliation with the Société Générale Group.

Default risks

The Company is not exposed to settlement risk, since payments from sales of issued securities are always offset by payments for hedges and payments related to the exercise of warrants. Receivables are owed exclusively by the parent company Société Générale S.A., Paris. The creditworthiness of Société Générale S.A., Paris, and its subsidiaries is the determining factor for assessing the Company's risk.

Market price risks

All market price risks from issued warrants and certificates are fully hedged by means of hedging transactions entered into with Société Générale S.A., Paris. Therefore, there are no price risks or interest rate risks.

Liquidity risks

The daily monitoring of cash flows and close coordination with the back-office departments in Paris ensure that the Company is always in a position to meet its payment obligations.

Due to the Company's affiliation with the Société Générale Group, there are no identifiable liquidity risks at the present time.

Operational risks

Société Générale S.A., Paris, has developed processes and systems to monitor and manage operational risks that are used by Société Générale Effekten GmbH. These processes and systems are mainly based on the principle of permanent supervision.

Using special applications, the processes are documented and evaluated on the basis of pre-defined criteria, in order to rule out losses from operational risks. To this end, the Company also takes precautionary measures based on the Business Continuity Plan (BCP), in order to maintain normal business operations even in the event of infrastructure malfunctions. The same rules and principles that apply to Société Générale Effekten GmbH apply also to the outsourced processes in the service centers in Bangalore and Bucharest.

There were no operational risks in fiscal year 2012.

Internal control and risk management system with respect to the accounting process

With respect to the accounting process, the internal control system (ICS) and risk management system (RMS) comprise the basic principles, processes, and measures to ensure the effectiveness and efficiency of the accounting process and ensure compliance with the relevant legal provisions, as well as the hedging of risks and the formation of valuation units. It ensures that the assets and liabilities are correctly recognized, presented and measured in the financial statements.

Responsibilities in the accounting-related ICS and RMS

Responsibilities of the Management and the Audit Committee

The Management manages the Company under its own responsibility and works together in trust with the Company's other governing bodies for the benefit of the Company. Its responsibilities include overall responsibility for the preparation of the annual financial statements.

The Management warrants to the best of its knowledge that the annual financial statements represent a true and fair view of the Company's financial position, cash flows and results of operations, in accordance with the applicable accounting principles.

The Management determines under its own responsibility the scope and orientation of the ICS and RMS, which are specifically designed for the Company, and undertakes measures to further develop the systems and to adjust them to changing conditions.

The value systems practiced for years in all the countries of the Société Générale Group and therefore also by Société Générale Effekten, such as the "Code of Conduct" and the "Compliance Rules," etc., form the basis for responsible behavior, also for the employees charged with performing the accounting process.

The Company's employees are required to complete a computer-aided learning course on money laundering and compliance once a year.

Despite all risk-mitigating measures established within the scope of the ICS and RMS, even appropriate and well-functioning systems and processes cannot guarantee with absolute certainty that all risks will be identified and managed. The Accounting Department is responsible for the accounting process and in particular for the process of preparing the annual financial statements. The Accounting Department is supported by the back-office departments of Société Générale S.A., Paris, in particular with respect to the measurement of financial instruments and receivables.

The data processing systems necessary for the accounting process are provided by the parent company.

In order to support the Management with respect to the accounting process, an Audit Committee was set up comprising three individuals (one salaried employee of Société Générale Effekten GmbH and two salaried employees of Société Générale at the Frankfurt branch office). The Audit Committee concentrates on the development of the Company's financial position, cash flows and results of operations at least once a year –particularly in connection with the annual financial statements. It is the shareholder's responsibility to adopt the annual financial statements as part of the annual financial statements process. The financial statements documents, including the Management's recommendation on the utilization of the unappropriated net profit, are presented to the Audit Committee along with the auditors' preliminary report, so that the Audit Committee can fulfill its duties. In addition, a summary report on issuance activity and the accounting treatment thereof is submitted to the members of the Audit Committee once every quarter.

Organization and components of the accounting-related internal control and risk management system

Process and execution of the preparation of the financial statements of Société Générale Effekten GmbH.

A back office of the parent company in Paris records the transactions to be processed by Société Générale Effekten GmbH centrally by entering the data into product-specific applications. The transactions entered into (contracts) are recorded in these applications and approved after review by a second individual.

The Company outsourced accounts payable for supplier invoices to Bangalore in May 2011.

This accounting process is performed in Bangalore by Société Générale Global Solution Centre Private Limited (99% subsidiary of Société Générale S.A., Paris).

The services to be rendered are set forth for Société Générale Effekten GmbH in the service agreement between Société Générale S.A., branch office Frankfurt and Société Générale Global Solution Centre Private Limited, Bangalore.

The scanned records are recorded and assigned to accounts in Bangalore; approval and release for payment are handled by employees of the Company.

The production of head office reports and the production of regulatory reports to Deutsche Bundesbank were outsourced to Bucharest in July 2012.

In Bucharest, this activity is performed by Société Générale European Business Services S.A. (99.95% subsidiary of Société Générale S.A., Paris).

The services to be rendered for Société Générale Effekten GmbH are defined in the Client Services Agreement between Société Générale S.A., Frankfurt branch office, and Société Générale European Business Services SA, Bucharest.

The accounting records of Société Générale Effekten GmbH are still maintained on the central server in Paris; all data relevant to the accounting of Société Générale Effekten GmbH is processed and stored on this server.

Employees of the Company in Frankfurt perform the daily monitoring of current cash accounts, thereby ensuring the supervision of outsourced activities. The information recorded in the accounting area for business operations in general and for facts and circumstances related to accounting matters in particular is accessed online via the intranet. Technical system maintenance with respect to the preparation of the financial statements is outsourced to the subsidiary responsible for IT in the SG Group.

The parent company is responsible for monitoring this process. The technical support processes in the central advisory unit are defined in procedural directives. The parent company is responsible for backing up and archiving the data stored in the application systems. The statutory retention periods are observed. Contingency planning is updated and monitored by employees of the Company. The central data security systems for the mainframe computer and the storage networks for the Open Systems area form the primary basis for data security. The data is mirrored redundantly in Paris.

The necessary protection from unauthorized access and the maintenance of functional separation with respect to the use of the Company's application systems relevant to accounting are ensured in particular by the concept of workstation profiles and by processes to create the workstation profiles. The workstation profiles are issued to the individual back office departments in Paris and to the employees of the service centers in Bangalore and Bucharest and monitored by authorized individuals in the Company using a specially developed system.

Documentation of processes

As a subsidiary of Société Générale Paris, S.A., the Company observes standard process documentation rules, which are summarized in the "Accounting & Finance Handbook." The main components of the documented processes are automated controls to ensure the accuracy of data inputs.

The most important procedures of the accounting process were transferred to the "MORSE" application in 2012. This application helps to complete the documentation process and to ensure the availability of a suitable instrument for assuring the accounting process in the event of internal audits.

Continuous further development of the ICS and RMS

As part of the further development of the ICS and RMS, the Company carried out additional projects and measures that contributed to strengthening the ICS and RMS. These included reviewing the processes related to the preparation of monthly results and recording them in a process cartography. Moreover, additional relevant processes were successively adopted and incorporated into the standard ICS and RMS based on the previously achieved process documentation basis.

Any changes in legal requirements and regulations with respect to the accounting process are to be reviewed to determine whether and what consequences they have for the accounting process. The Company's local accounting department is responsible for conducting such reviews. Changes or new regulations that have a significant effect on the accounting process are added to the existing process cartography. All measures such as adjustments to electronic data processing, work processes and posting rules, among other things, are analyzed and implemented accordingly in the back office departments in Paris and the outsourced service departments in Bangalore and Bucharest and are monitored and supervised by employees in the Company in Frankfurt.

Events after the reporting date

There were no significant events that could have a potential effect on the financial position, cash flows and results of operations after the reporting date.

Forecast report/Outlook

Issuing activities for the 2013 fiscal year depend on current developments in the financial markets.

As in the previous years, the Company intends to offer a wide range of products in 2013.

The Company intends to continue the issuing activity begun in Austria in 2011 and the issuing activity in the Swedish market begun in 2012.

Net income in fiscal years 2013 and 2014 will be positive, considering the strict risk hedging policy.

Frankfurt am Main, March 13, 2013

Management

Société Générale Effekten GmbH

Jean-Louis Jégou

Dr. Joachim Totzke

Balance Sheet as of December 31, 2012

| | Dec. 31, 2012 | Dec. 31, 2011 |
|--|-------------------|-------------------|
| | EUR | EUR |
| <u>ASSETS</u> | | |
| <u>A. CURRENT ASSETS</u> | | |
| 1. Receivables and other assets | | |
| 1. Receivables from affiliated companies | | |
| a) from the investment of issuing proceeds | | |
| - of which with a remaining term of more than one year: EUR 11,137,474,117.60 (previous year: EUR 17,494,309,681.99) | 17,494,894,657.67 | 28,259,794,785.33 |
| b) Other receivables | 1,377,615.91 | 1,723,144.34 |
| - of which with a remaining term of more than one year: EUR 0.00 (previous year: EUR 0.00) | | |
| 2. Other assets | 7,164,311,547.17 | 9,004,117,251.96 |
| - of which with a remaining term of more than one year: EUR 5,582,479,125.71 (previous year: EUR 6,500,404,234.54) | 24,860,583,820.75 | 37,265,635,181.63 |
| B. DEFERRED TAX ASSETS | 6,030.50 | 4,085.00 |
| C. TRUST ASSETS | | |
| Receivables | | |
| - of which with a remaining term of more than one year: EUR 5,066,724,378.16 (previous year: EUR 4,173,424,817.52) | 5,773,413,777.30 | 5,892,970,218.99 |
| <u>EQUITY & LIABILITIES</u> | | |
| <u>A. EQUITY</u> | | |
| I. Subscribed capital | 25,564.59 | 25,564.59 |
| II. Retained profits brought forward | 591,482.34 | 488,883.46 |
| III. Net income for the year | 215,487.04 | 102,598.88 |
| | 832,513.97 | 617,046.93 |
| <u>B. PROVISIONS</u> | | |
| I. Provisions for pensions and similar obligations | 95,457.61 | 86,086.74 |
| II. Provisions for taxes | 74,025.27 | 44,000.00 |
| III. Other provisions | 258,308.10 | 182,374.00 |
| | 427,790.98 | 312,460.74 |
| <u>C. LIABILITIES</u> | | |
| I. Liabilities under issued certificates | 17,494,894,657.67 | 28,259,794,785.33 |
| - of which, with a remaining term of up to one year: EUR 6,357,420,540.07 (previous year: EUR 10,765,485,103.34) | | |
| II. Trade payables | 58,156.63 | 54,533.11 |
| - of which, with a remaining term of up to one year: EUR 58,156.63 (previous year: EUR 54,533.11) | | |
| III. Liabilities to affiliated companies | 62,700.00 | 743,248.04 |
| - of which, with a remaining term of up to one year: EUR 62,700.00 (previous year: EUR 743,248.04) | | |
| IV. Other liabilities | 7,164,311,547.17 | 9,004,117,193.48 |
| - of which, with a remaining term of up to one year: EUR 1,581,834,906.09 (previous year: EUR 2,503,712,958.94) | | |
| - of which taxes: EUR 2,131.75 (previous year: EUR 2,056.98) | | |
| | 24,860,583,820.75 | 37,265,635,181.63 |
| <u>D. TRUST LIABILITIES</u> | | |
| Certificates | 5,773,413,777.30 | 5,892,970,218.98 |
| - of which, with a remaining term of up to one year: EUR 676,689,399.14 (previous year: EUR 1,719,545,401.46) | | |
| | 30,434,003,628.55 | 43,158,609,486.61 |

SOCIÉTÉ GÉNÉRALE EFFEKTEN GMBHFRANKFURT AM MAININCOME STATEMENTFOR THE PERIOD FROM JANUARY 1, 2012, TO DECEMBER 31, 2012

| | <u>2012</u> EUR | <u>2011</u> EUR |
|---|--------------------------|--------------------------|
| 1. Income from option contracts | 4,538,509,942.73 | 11,212,754,135.32 |
| 2. Expenses from option contracts | 4,538,509,942.73 | 11,212,754,135.32 |
| 3. Income from the certificate business | 3,388,902,182.00 | 11,977,163,133.51 |
| 4. Expenses from the certificate business | 3,388,902,182.00 | 11,977,163,133.51 |
| 5. Other operating income | 3,375,037.39 | 3,697,666.76 |
| 6. Personnel expenses | | |
| a) Wages and salaries | 145,186.86 | 154,504.29 |
| b) Social security, post-employment and other employee benefit costs of which in respect of old age pensions EUR 9,370.87 (previous year: EUR 17,597.87) | 31,235.48 | 40,574.00 |
| 7. Other operating expenses | 2,869,450.92 | 3,343,877.50 |
| 8. Other interest and similar income | 0.00 | 7,393.37 |
| - of which from affiliated companies: EUR 0.00 (previous year: EUR 7,393.37) | | |
| 9. Interest and similar expenses | 7,928.60 | 16,234.22 |
| - of which from affiliated companies: EUR 7,928.60 (previous year: EUR 16,234.22) | | |
| 10. Result from ordinary activities | <u>321,235.53</u> | <u>149,870.12</u> |
| 11. Taxes on income | 105,768.49 | 47,271.24 |
| - of which from deferred tax assets: EUR 1,944.50 (previous year: EUR 2,992.76) | | |
| 12. Net income for the year | <u><u>215,467.04</u></u> | <u><u>102,598.88</u></u> |

**Société Générale Effekten GmbH
Frankfurt am Main**

**Notes to the Financial Statements
for Fiscal Year 2012**

Notes to the annual financial statements for the period ended December 31, 2012, and other disclosures

The annual financial statements of Société Générale Effekten GmbH for the period ended December 31, 2012, were prepared in accordance with the accounting regulations of the German Commercial Code (Handelsgesetzbuch, "HGB") and the supplementary provisions of the German Limited Liability Companies Act (Gesetz betreffend die Gesellschaften mit Beschränkter Haftung, "GmbHG"), in compliance with German accepted accounting principles.

1. Recognition and valuation principles

Receivables are measured at nominal value plus accrued interest. Liabilities not covered by hedging transactions are measured at the settlement amount.

Deferred taxes are calculated based on temporary differences between the financial and tax accounts in accordance with section 274 HGB. They were presented in the balance sheet as deferred tax assets based on pension provisions in the amount of EUR 6,030.50. The tax rate used to calculate deferred taxes was 31.93%.

Provisions for pensions were measured at the settlement amount necessary according to prudent business judgment (Section 253 I 2 HGB), based on actuarial principles and the Mortality Tables 2005 G. They are discounted to present value at an average market rate based on an estimated remaining term of 15 years (Section 253 II 2 HGB). The projected unit credit method is applied as the actuarial method of measurement. An actuarial interest rate of 5.06% (previous year: 5.13%), a compensation trend of 2.90% (previous year: 2,90%) and a pension trend of 1.90% (previous year: 1,90%) were used as parameters for the pension provisions. The effects of interest rate changes are presented under net operating income/expenses. Other provisions due in one year or less are not discounted to present value.

Option premiums are recognized as other assets or other liabilities until they are exercised or expire. When they are exercised or expire, they are transferred to profit or loss.

Issued certificates are presented as liabilities under issued certificates until they mature. The issued certificates are offset by hedging transactions that are presented under receivables from affiliated companies.

The liabilities under issued certificates and warrants and the hedging transactions presented under receivables and other assets were aggregated into valuation units and recognized both as liabilities measured at cost and as assets measured in the amount of the issue proceeds. It represents a perfect micro-hedge. They are not measured in accordance with Section 254 HGB because they are classified as a valuation unit; thus, the net hedge presentation method was applied, under which offsetting value changes are not recognized (Section 285 (19b) and (c) HGB and Section 285 (23) (a) and (b) HGB). It was not necessary to recognize impairments of receivables and other assets.

The warrants and certificates issued as of the balance sheet date were completely hedged against changes in market prices by means of hedging transactions with the shareholder.

In addition, the Company operates under a trust agreement with the sole shareholder, Société Générale S.A., Paris.

The certificates issued under trust transactions are covered by hedging transactions presented under trust assets. These transactions are recognized at cost.

2. Notes to the balance sheet

Receivables from affiliated companies, which are owed by the shareholder, amount to EUR 17,496,272 thousand (previous year: EUR 28,261,518 thousand). Credit balances with banks in the amount of EUR 470 thousand (previous year: EUR 0 thousand) are presented within other receivables.

Other assets mainly include the OTC options purchased by the shareholder to hedge the issued warrants.

Trust receivables consist of funds passed on to the shareholder from several certificates issued on behalf of the shareholder.

Other provisions result mainly from provisions for issuing costs and for auditing and consulting expenses.

Trust liabilities include the issue of certificates issued in the Company's own name for account of third parties.

Issues (certificates) denominated in foreign currencies are presented under the asset item "receivables from the investment of issue proceeds" and under the liability item "liabilities under issued certificates" (EUR 760,737 thousand from USD and EUR 1,173,460 thousand from GBP, respectively) and under the asset item "trust assets – receivables" and under the liability item "trust liabilities – certificates" (EUR 405,780 thousand from USD, respectively). These amounts were translated to euros at the official mean rate of exchange at December 31, 2012.

Issues (warrants) denominated in foreign currencies are presented under the asset item "other assets" and under the liability item "other liabilities" (EUR 52,435 thousand from SEK, respectively). These amounts were translated at the official mean rate of exchange at December 31, 2012.

Maturity Structure of Receivables and Liabilities

| In euro thousands | Total Amount | Maturing in 1 year or less | Maturing in 1 to 5 years | Maturing in more than 5 years |
|---|--------------|-------------------------------|-----------------------------|----------------------------------|
| Receivables | | | | |
| - From the investment of issue proceeds | 17,494,895 | 6,357,421 | 8,503,400 | 2,634,074 |
| - Other receivables | 1,378 | 1,378 | 0 | 0 |
| - Trust receivables | 5,773,414 | 676,689 | 4,057,882 | 1,038,843 |
| Other assets | 7,164,312 | 1,581,833 | 4,621,620 | 960,859 |
| Liabilities | | | | |
| - Under issued certificates | 17,494,895 | 6,357,421 | 8,503,400 | 2,634,074 |
| - Trade payables | 58 | 58 | 0 | 0 |
| - To affiliated companies | 63 | 63 | 0 | 0 |
| - Trust liabilities | 5,773,414 | 676,689 | 4,057,882 | 1,038,843 |
| Other liabilities | 7,164,314 | 1,581,835 | 4,621,620 | 960,859 |

3. Notes to the income statement

The income statement was prepared using the cost summary method.

Other operating income relates mainly to costs assumed by the shareholder.

Other operating expenses comprise mainly issuing costs and legal and consulting expenses, as well as stock exchange costs.

Taxes on income relate to the result from ordinary activities.

4. Notes regarding the issue business

The issue volume in the 2012 fiscal year is presented below. All issues are completely hedged by entering into OTC options with identical terms and/or the investment of issue proceeds on the part of Société Générale S.A., Paris.

| | | FISCAL YEAR 2012 | | | FISCAL YEAR 2011 | | | |
|---------------------------------|---------------------------------------|----------------------|----------------------|----------------------|------------------|----------------------|----------------------|----------|
| TYPE OF WARRANT/ CERTIFICATE | TYPE | HUMBER | VOLUME (IN UNITS) | LONGEST MATURITY | HUMBER | VOLUME (IN UNITS) | LONGEST MATURITY | |
| Warrants | | | | | | | | |
| Equity warrants | CALL | 816 | 1,685,803,000 | 22-Dec-17 | 750 | 1,506,680,000 | 29-Dec-15 | |
| | PUT | 11 | 2,103,000 | 04-Jan-13 | 118 | 131,670,000 | 22-Jun-12 | |
| | Open End Turbo Long | 259 | 14,012,000 | open end | 31 | 3,100,000 | open end | |
| | In-line / Stay-High/ Stay-Low Warrant | 5,861 | 117,240,000 | 03-Jan-14 | 1,819 | 415,400,000 | 05-Aug-14 | |
| | Corridor Hit Warrant | - | - | - | 127 | 12,700,000 | 27-Jan-12 | |
| | Hamster Warrant | 19 | 380,000 | 11-Jun-12 | 15 | 1,500,000 | 05-Aug-14 | |
| | Discount Warrant | 1 | 40,000 | 03-Jan-14 | - | - | - | |
| | | | 6,967 | 1,819,678,000 | | 2,860 | 2,071,050,000 | |
| Index warrants | CALL | 590 | 443,002,200 | 22-Dec-17 | 201 | 239,331,000 | 23-Dec-16 | |
| | PUT | 414 | 158,087,000 | 02-Jan-15 | 99 | 6,371,333 | 04-Jan-13 | |
| | Open End Turbo Short | 98 | 8,011,500 | open end | 83 | 19,452,000 | open end | |
| | Open End Turbo Long | 165 | 18,333,173 | open end | 138 | 31,626,000 | open end | |
| | In-line /Stay-High/ Stay-Low Warrant | 4,358 | 88,202,000 | 27-Jun-14 | 1,698 | 465,680,000 | 12-Oct-17 | |
| | Corridor Hit Warrant | - | - | - | 142 | 27,400,000 | 22-Jun-12 | |
| | Hamster Warrant | 35 | 700,000 | 12-Sep-12 | 36 | 3,600,000 | 05-Apr-12 | |
| | Discount Warrant | 77 | 2,578,000 | 03-Jan-14 | - | - | - | |
| | Condor Warrant | 127 | 5,080,000 | 03-Jan-14 | - | - | - | |
| | Other | 21 | 2,200,005 | open end | - | - | - | |
| | | | 5,885 | 726,193,878 | | 2,597 | 793,470,333 | |
| | Currency options | Open End Turbo Short | 87 | 4,327,000 | open end | 193 | 64,767,000 | open end |
| | | Open end Turbo Long | 120 | 5,444,000 | open end | 186 | 51,448,000 | open end |
| | | | 207 | 9,771,000 | | 379 | 106,205,000 | |
| Commodity options | CALL | 415 | 217,476,500 | 22-Nov-18 | 558 | 246,801,000 | 22-Dec-17 | |
| | PUT | 261 | 79,610,000 | 22-Nov-18 | 499 | 182,119,000 | 22-Dec-17 | |
| | CALL Future | - | - | - | 83 | 41,500,000 | 11-Dec-13 | |
| | PUT Future | - | - | - | 40 | 20,000,000 | 11-Dec-13 | |
| | Open End Turbo Short | 1,124 | 204,314,000 | open end | 860 | 227,557,000 | open end | |
| | Open End Turbo Long | 1,445 | 352,559,000 | open end | 1,213 | 394,961,000 | open end | |
| | In-line /Stay-High/ Stay-Low Warrant | 904 | 20,120,870 | 20-Dec-13 | 717 | 240,190,000 | 07-Apr-16 | |
| | Hamster Warrant | 17 | 340,000 | 02-Oct-12 | 20 | 800,000 | 30-Apr-12 | |
| | CALL Discount Warrant | 13 | 520,000 | 27-Mar-13 | - | - | - | |
| | PUT Discount Warrant | 13 | 520,000 | 27-Mar-13 | - | - | - | |
| | Corridor Hit Warrant | 18 | 360,000 | 15-Jun-12 | - | - | - | |
| | | | 4,230 | 875,820,370 | | 3,990 | 1,353,928,000 | |
| Fixed Income | CALL | 41 | 5,423,370 | 27-Mar-13 | 7 | 140,000 | 22-Feb-12 | |
| | PUT | 28 | 3,349,120 | 27-Mar-13 | 19 | 380,000 | 28-Mar-12 | |
| | Open End Turbo Short | 132 | 7,494,000 | open end | 172 | 35,800,000 | open end | |
| | Open End Turbo Long | 94 | 6,324,970 | open end | 110 | 29,770,000 | open end | |
| | CALL Discount Warrant | 71 | 2,260,000 | 02-Jan-13 | - | - | - | |
| | PUT Discount Warrant | 64 | 1,960,000 | 02-Jan-13 | - | - | - | |
| | | 430 | 26,811,460 | | 308 | 66,090,000 | | |
| Two underlying instruments | Alpha Warrant | - | - | - | 16 | 800,000 | 03-Feb-12 | |
| | | 0 | 0 | | 16 | 800,000 | | |
| TOTAL warrants: | | 17,719 | 3,458,274,708 | | 10,150 | 4,391,543,333 | | |

| TYPE OF WARRANT / CERTIFICATE | TYPE | FISCAL YEAR 2012 | | | FISCAL YEAR 2011 | | |
|---|---------------------|------------------|----------------------|---------------------|------------------|----------------------|----------------------|
| | | NUMBER | VOLUME (IN UNITS) | LONGEST MATURITY | NUMBER | VOLUME (IN UNITS) | LONGEST MATURITY |
| Certificates | | | | | | | |
| Equity certificates | Bonus | 5,632 | 126,727,100 | 20-Feb-20 | 6,428 | 902,927,900 | 11-Jan-15 |
| | Discount | 2,203 | 85,643,000 | 08-Jan-14 | 739 | 74,847,300 | 03-Jan-14 |
| | Express | 167 | 1,569,100 | 25-Mar-19 | 93 | 6,316,200 | 09-May-16 |
| | Leverage | - | - | - | 16 | 260,000 | 18-Jul-13 |
| | Outperformance | 46 | 729,800 | 28-Jun-13 | 35 | 5,159,000 | 28-Jun-13 |
| | Alpha | 2 | 4,000 | 05-Sep-14 | - | - | - |
| | Other | 34 | 3,077,046 | 09-Nov-20 | 94 | 40,522,247 | open end |
| | | | 8,084 | 217,750,046 | | 7,405 | 1,030,032,647 |
| Bond certificates | Equities | 71 | 1,082,571 | 28-Dec-21 | 465 | 1,522,500 | 04-Jan-13 |
| | Index | 12 | 139,100 | 30-Aug-18 | 3 | 6,000 | 22-Jun-12 |
| | Coupon Bonds | 48 | 329,056 | 28-Dec-22 | 30 | 830,000 | 28-Sep-16 |
| | Inflation Bond | 7 | 16,550 | 21-Dec-18 | 22 | 1,632,500 | 11-Aug-16 |
| | Reverse Convertible | 2 | 700 | 04-Oct-13 | 361 | 1,805,000 | 23-Nov-12 |
| | Other | 22 | 651,468 | 07-Dec-18 | - | - | - |
| | | | 162 | 2,219,445 | | 881 | 5,796,000 |
| Index certificates | Bonus | 4,689 | 30,236,100 | 24-Jun-16 | 3,495 | 156,820,100 | 21-Apr-15 |
| | Discount | 1,287 | 11,192,000 | 03-Jan-14 | 497 | 48,751,000 | 23-Dec-16 |
| | Express | 37 | 948,000 | 04-Jan-19 | 49 | 5,901,000 | 22-Dec-17 |
| | Leverage | 20 | 50,300,000 | 26-May-17 | 122 | 113,515,000 | open end |
| | Outperformance | - | - | - | 6 | 624,000 | 22-Jun-12 |
| | Other | 53 | 78,099,607 | open end | 58 | 23,239,200 | open end |
| | | | 6,086 | 168,775,707 | | 4,227 | 348,850,300 |
| Currency certificates | Other | 5 | 23,020,000 | 24-Oct-16 | - | - | - |
| | | 5 | 23,020,000 | | 0 | 0 | |
| Commodity certificates | Guarantee | - | - | - | 6 | 580,000 | 07-Jul-16 |
| | Bonus | 65 | 226,500 | 14-Feb-19 | 53 | 4,982,000 | 04-Jan-13 |
| | Discount | 234 | 1,083,000 | 20-Jun-14 | 214 | 15,550,000 | 21-Dec-12 |
| | Express | 2 | 18,000 | 15-Sep-15 | - | - | - |
| | Leverage | 4 | 2,700,000 | open end | - | - | - |
| | Other | 16 | 1,403,000 | open end | 15 | 3,830,000 | open end |
| | | | 321 | 5,430,500 | | 288 | 24,942,000 |
| Fund certificates | Other | - | - | - | 19 | 1,900,000 | 25-Jan-12 |
| | | 0 | 0 | | 19 | 1,900,000 | |
| Futures certificates | Index | 20 | 473,000 | 02-Jan-15 | - | - | - |
| | Bonus | 3 | 1,008,000 | 16-Apr-14 | - | - | - |
| | | 23 | 1,481,000 | | 0 | 0 | |
| TOTAL certificates | | 14,681 | 418,676,698 | | 12,820 | 1,411,528,947 | |
| Total certificates and warrants: | | 32,400 | 3,876,951,406 | | 22,970 | 5,803,064,280 | |

As a rule, the fair value of the financial derivatives and debt securities with embedded derivatives are calculated using market values; in the case of illiquid markets, they are measured based on internal models. These "in-house valuation models" are periodically tested by specialists from the risk department of Société Générale S.A., Paris. Derivative financial instruments similar in nature to options are measured by Société Générale S.A., Paris using generally accepted option price models.

If an active market exists, quoted prices from stock exchanges, brokers and price discovery agencies are used.

The type, scope, and fair values of the derivative hedging transactions as of the balance sheet date are as follows: The Company holds 7,060 OTC options with a market value of EUR 3,966 million to hedge equities and index warrants, 545 OTC options with a market value of EUR 437 million to hedge currency warrants and 3,790 OTC options with a market value of EUR 12,439 million to hedge warrants on commodities.

In addition, the Company holds 15,451 certificates with a market value of EUR 24,061 million, including trust transactions.

The carrying amount of the warrants presented herein for the period ended December 31, 2012, is EUR 7,164 million and is presented in the balance sheet under other liabilities. The carrying amount of the issued certificates for the period ended December 31, 2012, is EUR 23,268 million and is presented in the balance sheet under liabilities under issued certificates and under trust liabilities.

5. Disclosures regarding professional fees recognized as expenses in the fiscal year

The professional fee for the 2012 audit recognized as an expense in the 2012 fiscal year amounts to EUR 50 thousand.

6. Disclosures regarding board members and employees

The following individuals were appointed as managing directors in the 2012 fiscal year:

Mr. Jean-Louis Jégou, trained banker, Frankfurt am Main
Dr. Joachim Totzke, general counsel, Frankfurt am Main
Mr. Günter Happ, trained banker, Flieden (until November 27, 2012)

The managing directors are salaried employees of Société Générale S.A., Frankfurt am Main branch office. Expenses totaling EUR 12 thousand were charged to Société Générale Effekten GmbH in fiscal year 2012 as compensation for the managing directors.

The Company had an average of 1.5 employees during the fiscal year.

As a capital market-oriented company, an Audit Committee was set up in accordance with Section 264d HGB, comprising the following members:

Mr. Peter Boesenberg (Chairman) (from December 10, 2012)
Ms. Catherine Bittner
Mr. Achim Oswald
Mr. Francis Repka (until August 1, 2012)
Mr. Guido Zoeller (from August 1 to December 10, 2012))

7. Group affiliation

The parent company of Société Générale Effekten GmbH, which prepares consolidated financial statements, is Société Générale S.A., Paris. The publication of the consolidated financial statements of Société Générale S.A., Paris, is announced in France in the "Bulletin des Annonces Légales Obligatoires (B.A.L.O.) in the section entitled "Publications Périodiques" (R.C.S: 552 120 222).

The consolidated financial statements are available on the company's website at www.socgen.com.

Frankfurt am Main, March 13, 2013

Management

Société Générale Effekten GmbH

Jean-Louis Jégou

Dr. Joachim Totzke

Cash Flow Statement

| | 2012 EUR | 2011 EUR |
|--|---------------------------|---------------------------|
| 1. Cash flow from operating activities | | |
| Net income for the fiscal year before extraordinary items | 215,467.04 | 102,598.88 |
| Increase in provisions | 115,330.24 | 74,593.87 |
| Decrease in receivables as well as other assets not attributable to investment or financing activities | 12,725,077,718.48 | 26,602,124,373.83 |
| Increase deferred tax assets | -1,944.50 | -2,992.76 |
| Decrease in liabilities under issued certificates as well as other liabilities not attributable to investment or financing activities | <u>-12,724,936,655.34</u> | <u>-26,602,298,573.82</u> |
| Cash flow from continuing operations | 469,915.92 | 0.00 |
| 2. Closing balance of cash funds | | |
| Change in cash funds | 469,915.92 | 0.00 |
| Opening balance of cash funds | 0.00 | 0.00 |
| Closing balance of cash funds | <u>469,915.92</u> | <u>0.00</u> |
| 3. Composition of cash funds | | |
| Liquid assets | <u>469,915.92</u> | <u>0.00</u> |

Other disclosures in accordance with paragraph 52 of German Accounting Standard (DRS) 2:

- a) The daily payable demand deposits at the shareholder are presented under cash funds.
- b) The definition of cash funds was not changed compared to the previous period.
- c) The carrying amount of cash funds corresponds to bank deposits and is reported in the position "Receivables from affiliated companies"
- d) No significant non-cash investment or financing operations or transactions were entered into in the reporting period.
- e) The Company did not purchase or sell any companies in the reporting period.

Société Générale Effekten GmbH

Statement of changes in equity

| | Subscribed capital | Retained earnings | Equity |
|------------------------------------|---------------------------|--------------------------|---------------|
| Balance as of Jan. 1, 2010 | 25,564.59 | 395,098.81 | 420,663.40 |
| Distribution of dividends | - | - | - |
| Other changes | - | - | - |
| Net income for the year | | 93,784.65 | 93,784.65 |
| Balance as of Dec. 31, 2010 | 25,564.59 | 488,883.46 | 514,448.05 |
| Balance as of Jan. 1, 2011 | 25,564.59 | 488,883.46 | 514,448.05 |
| Distribution of dividends | - | - | - |
| Other changes | - | - | - |
| Net income for the year | | 102,598.88 | 102,598.88 |
| Balance as of Dec. 31, 2011 | 25,564.59 | 591,482.34 | 617,046.93 |
| Balance as of Jan. 1, 2012 | 25,564.59 | 591,482.34 | 617,046.93 |
| Distribution of dividends | | | |
| Other changes | | | |
| Net income for the year | | 215,467.04 | 215,467.04 |
| Balance as of Dec. 31, 2012 | 25,564.59 | 806,949.38 | 832,513.97 |

Auditors' Report

We have audited the annual financial statements – comprising the balance sheet, the income statement, the cash flow statement, the statement of changes in equity, and the notes to the annual financial statements – together with the bookkeeping system and the management report of Société Générale Effekten GmbH, Frankfurt am Main, for the fiscal year from January 1 to December 31, 2012. The maintenance of the books and records and preparation of the annual financial statements and management report pursuant to German commercial law are the responsibility of the Company's Management. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, and the management report based on our audit.

We conducted our audit of the annual financial statements in accordance with section 317 HGB ["Handelsgesetzbuch": "German Commercial Code"] and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with [German] principles of proper accounting and in the management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Company and evaluations of possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records, the annual financial statements and the management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall presentation of the annual financial statements and management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the annual financial statements of Société Générale Effekten GmbH, Frankfurt am Main, correspond to the legal requirements and give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with [German] principles of proper accounting. The management report is consistent with the annual financial statements and on the whole provides a suitable understanding of the Company's position and suitably presents the risks and opportunities of future development.

Frankfurt am Main, March 13, 2013

Deloitte & Touche GmbH

Wirtschaftsprüfungsgesellschaft (Public Audit Firm)

(signed)

(Nemet)

Wirtschaftsprüfer

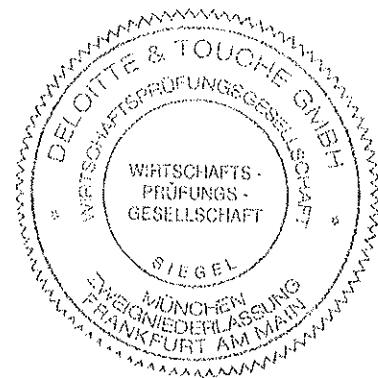
(German Public Auditor)

(signed)

(Lange)

Wirtschaftsprüfer

(German Public Auditor)



Stamp:

Outer ring:

DELOITTE & TOUCHE GMBH

Wirtschaftsprüfungsgesellschaft

(Auditing firm)

Munich

Branch office Frankfurt am Main

Inner ring:

Wirtschaftsprüfungsgesellschaft

(Auditing firm)

Stamp