

F. Audit opinion

We have issued the following opinion on the financial statements and management report:

"We have audited the annual financial statements, comprising the balance sheet, the income statement and the notes to the financial statements, together with the bookkeeping system, and the management report of Société Générale Effekten GmbH, Frankfurt am Main, Germany, for the fiscal year from 1 January 2008 to 31 December 2008. The maintenance of the books and records and the preparation of the annual financial statements and management report in accordance with 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 Sec. 317 HGB ["Handelsgesetzbuch": German Commercial Code] and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (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 expectations as to 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 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 comply with 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 as a whole provides a suitable view of the Company's position and suitably presents the opportunities and risks relating to future development."

Eschborn/Frankfurt am Main, Germany, 3 April 2009

Ernst & Young AG
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

Heist
Wirtschaftsprüfer
[German Public Auditor]

Then
Wirtschaftsprüfer
[German Public Auditor]

SOCIÉTÉ GÉNÉRALE EFFEKTEN GMBHFRANKFURT AM MAIN, GERMANYINCOME STATEMENTFOR THE PERIOD FROM JANUARY 1, 2008 TO DECEMBER 31, 2008

	Dec 31, 2008 EUR	Dec 31, 2007 EUR
1. Income from options	16,673,670,217.97	10,521,945,573.55
2. Expenses from options	16,673,670,217.97	10,521,945,573.55
3. Income from certificates	10,989,351,520.09	746,827,572.77
4. Expenses from certificates	10,989,351,520.09	746,827,572.77
5. Other operating income	2,285,093.82	2,398,824.13
6. Personnel expenses		
a) Wages and salaries	162,057.76	171,546.99
b) Social security contributions and related costs	32,131.03	37,221.38
- thereof for old age pensions EUR 7,916.00 (prior year: EUR 1,821.08)		
7. Other operating expenses	1,990,610.83	2,031,664.98
8. Other interest and related income	20,644.80	13,861.86
- thereof from affiliated companies: EUR 20,644.80 (prior year: EUR 13,861.86)		
9. Other interest and related expenses	5,122.46	13,967.83
- thereof to affiliated companies: EUR 4,445.02 (prior year: EUR 10,073.83)		
10. Result from ordinary activities	115,816.54	158,284.81
11. Income taxes	33,347.89	65,104.74
12. Net income for the year	<u>82,468.65</u>	<u>93,180.07</u>

**Société Générale Effekten GmbH
Frankfurt am Main, Germany**

**Notes to the financial statements
for fiscal year 2008**

Comments on the financial statements as of 31 December 2008 and other disclosures

The financial statements of Société Générale Effekten GmbH as of 31 December 2008 were prepared in accordance with the provisions of German commercial law governing the financial reporting of limited liability companies.

1. Accounting and valuation principles

Receivables are stated at their nominal value plus accrued interest. Non-hedged liabilities are stated at their amounts repayable.

Provisions are recognized in an appropriate amount for liabilities of uncertain timing or amount as of the balance sheet date.

Provisions for pensions are disclosed at the maximum amounts permitted for tax purposes. The net present value was determined on the basis of actuarial principles in accordance with Sec. 6a EStG ["Einkommensteuergesetz": German Income Tax Act]. It is based on an interest rate of 6% and the 2005 G mortality tables.

Option premiums are recognized as other assets or other liabilities until they are exercised or expire. Upon exercise or expiry, the premiums are recognized in the income statement.

Certificates issued are disclosed as liabilities from certificates issued until their maturity. Certificates issued are secured by offsetting hedging transactions which are disclosed as receivables from affiliates in the balance sheet.

Liabilities from certificates issued and warrants as well as the hedging transactions disclosed under receivables and other assets were grouped into valuation units and recognized at acquisition cost or at the amount of the issue proceeds. As a result of the qualification as a valuation unit, valuation in accordance with Sec. 252 (2) HGB ["Handelsgesetzbuch": German Commercial Code] has not been performed.

As of the balance sheet date, the warrants and certificates issued were fully hedged against changes in market prices by contracts concluded with the shareholder.

2. Notes to the balance sheet

Receivables from affiliates of EUR 39,084,339k are from the shareholder.

Other assets include essentially the OTC options acquired from the shareholder to hedge the warrants issued.

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

Other provisions result mainly from accruals for issue costs as well as audit and consulting fees.

Trust liabilities relate to the issue of certificates in the Company's own name and on the account of a third-party.

Liabilities for certificates issued of EUR 2,222,423k (thereof trust liabilities: EUR 1,789,827k) are due in more than 5 years.

3. Notes to the income statement

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

Other operating expenses mainly comprise issue costs as well as legal and consulting fees.

Income taxes relate to the result from ordinary activities.

High volatility of the capital markets in the reporting year led to the accelerated maturity of many "knock-out" options and certificates. In combination with the further increase of the issuance volume as compared to the prior year, this resulted in a significant increase in **income and expenses from options** as well as **income and expenses from certificates**.

4. Cash flow statement

	31 Dec. 2008 EUR	31 Dec. 2007 EUR
1. Cash flow from operating activities		
Net income before extraordinary items	82,468.65	93,180.07
Increase/decrease in accruals	24,672.66	198,391.19
Increase/decrease in inventories, trade receivables and other assets not allocable to investing or financing activities	(239,011,099.71)	(38,050,944,585.76)
Increase/decrease in inventories, trade payables and other liabilities not allocable to investing or financing activities	239,106,590.25	38,050,562,059.13
Cash flow from operating activities	202,631.85	(90,955.37)
2. Cash and cash equivalents at the end of the period		
Change in cash and cash equivalents	202,631.85	(90,955.37)
Cash and cash equivalents at the beginning of the period	0.00	90,955.37
Cash and cash equivalents at the end of the period	202,631.85	0.00
3. Composition of cash and cash equivalents		
Cash and cash equivalents	202,631.85	0.00

Additional information pursuant to No. 52 DRS 2:

- a) The demand deposit balances held with the shareholder are disclosed under cash and equivalents.
- b) No change was made to the definition of cash and cash equivalents compared with the prior period.
- c) Cash and cash equivalents are equivalent to the balance sheet item "Cash on hand, Bundesbank balances, bank balances and checks".
- d) In the period under review, there were no significant non-cash investing or financing activities or business transactions.
- e) The Company did not acquire or sell any enterprises during the period under review.

Additional information pursuant to No. 53 DRS 2:

The disclosed cash and cash equivalents are not derived from proportionately consolidated companies and are not subject to restraints on disposal.

5. Information on the issuing business

The issue volume for the fiscal year is as follows. All issues are hedged in full by identical OTC options concluded with or by the investment of issue proceeds at Société Générale S.A., Paris, France.

		FISCAL YEAR 2008			FISCAL YEAR 2007		
WARRANT CLASS	TYPE	NO.	VOLUME (IN UNITS)	LONGEST MATURITY	NO.	VOLUME (IN UNITS)	LONGEST MATURITY
WARRANTS							
Equity warrants	CALL	1,863	6,172,147,000	Jan 04, 2013	2,775	8,564,250,000	Dec 28, 2012
	PUT	575	1,601,897,000	Dec 27, 2010	647	1,862,050,000	Dec 28, 2009
	Open End Turbo Short	372	181,330,000	open end	389	169,480,000	open end
	Open End Turbo Long	2,738	1,352,895,000	open end	3,633	1,697,380,000	open end
		5,548	9,308,269,000		7,444	12,293,160,000	
Index warrants	CALL	731	518,974,000	Jul 04, 2013	761	858,250,000	Dec 04, 2013
	PUT	592	397,258,500	Dec 23, 2011	318	309,665,000	Dec 27, 2010
	Open End Turbo Short	498	225,020,000	open end	299	122,100,000	open end
	Open End Turbo Long	708	276,690,000	open end	612	281,740,000	open end
		2,529	1,417,942,500		1,990	1,571,755,000	
Currency warrants	CALL	0	0		90	427,000,000	Dec 15, 2010
	PUT	0	0		94	300,000,000	Dec 15, 2010
	Open End Turbo Short	122	42,560,000	open end	36	12,230,000	open end
	Open End Turbo Long	161	57,670,000	open end	41	18,100,000	open end
	CORRIDOR	0	0		18	9,000,000	Apr 01, 2008
	283	100,230,000		279	766,330,000		
Commodity warrants	CALL	257	224,350,000	Dec 22, 2017	294	276,622,000	Dec 28, 2012
	PUT	77	63,060,000	Dec 22, 2017	129	135,200,000	Dec 22, 2011
	Open End Turbo Short	204	119,940,000	open end	54	34,530,000	open end
	Open End Turbo Long	414	254,860,000	open end	114	87,800,000	open end
		952	662,210,000		591	534,152,000	
Futures	Bund Future	49	17,630,000	open end	0	0	
	Future	3,205	1,611,550,000	open end	1,126	543,075,000	open end
	Note Future	0	0		0	0	
	T-note Future	0	0		0	0	
	3,254	1,629,180,000		1,126	543,075,000		
TOTAL Warrants		12,566	13,117,831,500		11,430	15,708,472,000	

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CERTIFICATE CLASS	CLASS	NO.	VOLUME (IN UNITS)	LONGEST MATURITY	NO.	VOLUME (IN UNITS)	LONGEST MATURITY
CERTIFICATES							
Equity certificates	Index	14	6,618,000	Mar 25, 2011	8	5,445,000	Mar 28, 2008
	Bonus	2,848	553,820,425	Apr 31, 2011	3,151	656,101,275	Dec 27, 2010
	Discount	476	134,855,700	Jun 24, 2011	940	135,559,650	Jun 26, 2009
	Airbag	0	0		1	100,000	Jan 10, 2011
	Express	2	200	Jun 26, 2012	57	4,650,000	Aug 24, 2012
	Outperformance	0	0		54	4,649,000	Dec 28, 2010
	Other	88	7,636,078	Open end	88	11,411,400	Open end
			3,428	702,930,403		4,299	817,916,325
Index certificates	Index	53	5,994,000	Open end	43	17,867,000	Open end
	Guarantee	21	880	Nov 28, 2014	17	1,191,600	Sep 23, 2011
	Bonus	1,687	166,852,350	Open end	772	90,079,320	Jan 11, 2013
	Discount	818	127,349,250	Dec 25, 2011	139	15,036,000	Mar 27, 2009
	Airbag	0	0		1	100,000	Dec 27, 2010
	Express	24	2,009,500	Dec 29, 2014	26	1,431,900	Mar 29, 2013
	Outperformance	20	800	Jun 26, 2009	16	991,000	Mar 07, 2011
	Other	68	7,502,032	Open end	177	32,780,530	Open end
		2,691	309,708,812		1,191	159,477,350	
Equity and Index certificates	Other	0	0		1	50,000	Nov 30, 2012
		0	0		1	50,000	
Commodity certificates	Index	5	757,000	Open end	8	1,426,000	Dec 18, 2009
	Guarantee	1	200,000	Aug 09, 2010	15	1,346,200	Mar 18, 2013
	Bonus	9	690,600	Jun 25, 2010	24	5,184,000	Dec 27, 2010
	Discount	67	16,158,000	Jun 25, 2010	39	10,256,000	Jul 15, 2009
	Airbag	0	0		0	0	
	Express	1	100,000	Jun 24, 2011	0	0	
	Other	9	5,392,500	Open end	27	5,054,000	Open end
			92	23,298,100		113	23,266,200
Fund certificates	Other	7	363,500	Open end	6	177,300	Open end
		7	363,500		6	177,300	
Future certificates	Index	29	9,158,000	Open end	32	9,066,000	Open end
	Guarantee	26	1,329,000	Sep 10, 2013	10	705,400	Dec 23, 2009
	Bonus	35	1,256,000	Dec 27, 2010	24	1,842,000	Jun 22, 2012
	Discount	126	17,573,000	Jun 09, 2010	90	10,535,000	Jun 10, 2009
	Outperformance	0	0		9	1,574,100	Dec 10, 2008
	Other	12	2,678,000	Open end	22	3,636,000	Open end
		228	31,994,000		187	27,358,500	
TOTAL Certificates		6,446	1,068,294,815		5,797	1,028,245,675	
Total certificates and warrants		19,012	14,186,126,315		17,227	16,736,717,675	

The fair value of financial derivatives and bonds with embedded derivatives is generally determined on the basis of the market values; in case of illiquid markets, valuation is performed with the help of internal models. These in-house valuation models are reviewed by specialists from risk controlling

of Société Générale S.A., Paris, on a regular basis. Derivatives with an option component are valued by Société Générale S.A., Paris using generally accepted option pricing models.

If there is an active market, the quoted prices of the stock exchanges, brokers and pricing agencies are used.

The type, scope and fair value of the derivative hedging contracts as of the balance sheet date are as follows: the Company held 4,089 OTC options with a market value of EUR 12,103m to hedge equity and index warrants, 266 OTC options with a market value of EUR 935m to hedge currency warrants and 3,132 OTC options with a market value of EUR 10,497m to hedge commodity warrants.

In addition, the Company held 4,444 certificates on the price of equities with a market value of EUR 15,567m, 2,770 certificates on the price of indices with a market value of EUR 13,756m, 431 certificates on the price of commodities with a market value of EUR 2,184m, 1 certificate on the price of a currency with a market value of EUR 2m and 6 certificates on the price of funds with a market value of EUR 138m.

The book value of the above warrants is EUR 13,159m as of 31 December 2008 and is included in other liabilities in the balance sheet. The book value of the certificates issued amounted to EUR 42,339m as of December 31, 2008 and is included in liabilities from certificates issued and under trust liabilities in the balance sheet.

6, Information on the fee recognized as an expense in the fiscal year

The fee recognized as an expense in fiscal year 2008 for the audit of the financial statements amounts to EUR 46k.

7, Information on the Company's executive officers and employees

The following persons were general managers in fiscal year 2008:

Mr. Marc Braun, trained banker, Frankfurt am Main, Germany
Dr. Joachim Totzke, general counsel, Frankfurt am Main, Germany
Mr. Günter Happ, trained banker, Fliesen, Germany

The general managers are employees of the Société Générale S.A., Frankfurt am Main Branch. For fiscal year 2008, expenses of EUR 12k were allocated to Société Générale Effekten GmbH as remuneration for management.

The Company employed an average of 2,5 employees in the fiscal year.

8, Group affiliation

The parent company of Société Générale Effekten GmbH which prepares consolidated financial statements is Société Générale S.A., Paris, France. The consolidated financial statements of Société Générale S.A., Paris, France, are published in the “Bulletin des Annonces Légales Obligatoires (B.A.L.O.)” in France.

To the best of our knowledge, and in accordance with generally acceptable accounting principles, the financial statements give a true and fair view of the Company’s net assets, financial position and results of operations, and the management report gives a fair view of the situation of Société Générale Effekten GmbH and development of its business, and describes the main opportunities and risks related to the expected development of the Company.

Frankfurt am Main, Germany, 31 March 2009

Société Générale Effekten GmbH

Marc Braun

Dr. Joachim Totzke

Günter Happ

**Société Générale Effekten GmbH
Frankfurt am Main, Germany**

**Management report
for fiscal year 2008**

Société Générale Effekten GmbH issues warrants and certificates which are sold in full to the parent company, Société Générale S.A., Paris, France, to Société Générale Option Europe S.A., Paris, France, and to INORA Life Limited, Dublin, Ireland.

All issues are placed by Société Générale S.A., Paris, France.

In fiscal year 2008, a total of 12,566 warrants were issued. In addition to 5,548 options on equities, 2,529 options were issued on various indices, 3,254 on futures, 952 on commodities, and 283 on foreign exchange.

In addition, 6,446 certificates were issued, mostly bonus, discount, guarantee and express certificates.

The Company generated net income of EUR 82k in fiscal year 2008.

The Company's risk situation is shaped by its lean business structure and close affiliation with the Société Générale Group.

All market price risks from warrants and certificates are hedged in full by contracts concluded with Société Générale S.A., Paris, France. As a result, there are no price risks. There are no settlement risks either as payments from the sale of the securities issued and from hedges purchased and from their exercise are always netted. All receivables are due from the parent company Société Générale S.A., Paris, France, and its subsidiaries. Therefore, the Company is not subject to any independent business risk. The credit rating of Société Générale S.A., Paris, France, and its subsidiaries is the most important factor for assessing risk.

The Company's issuing activities in the fiscal year 2009 will depend on the short-term development of the financial markets.

In view of the Company's strict risk management policy, it expects to generate a positive result in fiscal years 2009 and 2010.

Frankfurt am Main, Germany, 31 March 2009