

Audit Opinion

We audited the annual financial statements – consisting of the balance sheet, income statement, cash flow statement, statement of changes in equity and notes to the financial statements – including the accounting records, and the management report of Société Générale Effekten GmbH, Frankfurt am Main, for the fiscal year from 1 January to 31 December 2010. The accounting records and the preparation of the annual financial statements and management report in accordance with the applicable provisions of German commercial law are the responsibility of the Management of the company. Our task is to issue an opinion of the annual financial statements, including the accounting records, and the management report, on the basis of our audit.

In accordance with Section 317 HGB, we conducted our audit of the annual financial statements in compliance with the German audit principles promulgated by the Institute of Public Auditors in Germany. According to these principles, the audit must be planned and conducted in such a way as to detect, with reasonable assurance, any misstatements and violations that have a material effect on the presentation of a true and fair view of the company's financial position, cash flows and operating results in the annual financial statements prepared in accordance with German generally accepted accounting principles, and in the management report. The audit activities were planned in consideration of our knowledge of the business activity and of the economic and legal environment of the company and our expectations of possible errors. As part of the audit, we evaluated the effectiveness of the internal control system as it relates to the financial reporting system and documentary evidence for the statements contained in the accounting records, annual financial statements and management report, mainly on the basis of test samples. Our audit comprised an evaluation of the accounting principles applied and the significant estimations of the Management, as well as an assessment of the overall assertion of the annual financial statements and management report. We believe that our audit provides a sufficiently certain basis for our opinion.

Based on the results of our audit, we have no reservations to note.

In our opinion, based on the knowledge gained during the course of our audit, the annual financial statements of Société Générale Effekten GmbH, Frankfurt am Main, comply with the applicable provisions of law and present a true and fair view of the financial position, cash flows and operating results of the company, in accordance with German generally accepted accounting principles. The management report accords with the annual financial statements and presents, on the whole, a true and fair view of the company's situation and accurately describes the opportunities and risks of its future development.

Frankfurt am Main, 29 March 2011

Deloitte & Touche GmbH
Wirtschaftsprüfungsgesellschaft

(Kopatschek)
(Public Auditor)

(ppa. Lange)
(Public Auditor)

**Société Générale Effekten GmbH
Frankfurt am Main**

**Management Report
for Fiscal Year 2010**

Strategic orientation

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

This activity has no influence on the issuer's economic situation, because some of the issues are placed with ultimate purchasers by Société Générale S.A., Paris.

Business development

The 2010 fiscal year was characterized by a year-on-year increase in issue volume.

In fiscal year 2010, warrants were issued over a total of 5,015 issues (previous year: 2,744). In addition to 410 issues of warrants on equities, there were 1,451 issues of warrants on various indices, 786 issues of warrants on futures, 75 issues of warrants on fixed income, 143 issues of warrants on currencies, and 2,150 issues of warrants on commodities.

In addition, 11,220 classes of certificates (previous year: 8,406) were issued, mainly in the form of bonus and discount certificates.

Net assets, financial position and results of operations

Net assets

The increase in the issue volume of warrants and certificates in 2010 led to a considerable increase in total assets, which increased by EUR 26,454 million to EUR 69,761 million compared to the previous year.

The Company's subscribed capital remains unchanged at EUR 25,564.59. In addition, the Company has retained profits brought forward in the amount of EUR 395,098.81 at its disposal. The Company's equity increased by net income earned for the year in the amount of EUR 94 thousand (previous year: EUR 57 thousand) to EUR 514 thousand (previous year: EUR 420 thousand).

All receivables are owed by the sole shareholder. There was no risk of default outside the Société Générale Group.

Results of operations

The Company generates no profit from new issue activities, because the proceeds from the sale of issued warrants and certificates are always offset by the expenses for the acquisition of corresponding hedging transactions.

Personnel and other operating expenses are charged to Société Générale S.A., Paris, on the basis of a "cost-plus rule". By design, the Company cannot suffer a net loss for the year independent of sales.

Financial position

The nature and execution of the Company's business activities are oriented on ensuring that its financial position is always balanced. Cash transactions arise only with respect to personnel and other operating expenses as well as their being charged to Société Générale, Paris. Net income for fiscal year 2010 amounted to EUR 94 thousand.

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.

Counterparty risk

The Company is not exposed to settlement risk, since payments from the sale of issued securities always offset 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 risk

In particular, all market risk from issued warrants and certificates is fully hedged by means of hedging transactions entered into with Société Générale S.A., Paris. Therefore, there is no price risk.

Liquidity risk

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

Operational risk

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 include in particular "Permanent Supervision" as well as the Business Continuity Plan (BCP). There are no operational risks.

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) include the basic principles, processes, and measures to ensure the effectiveness and efficiency of the accounting as well as to ensure compliance with the relevant legal provisions, and also the hedging of risks and the use of hedge accounting. It ensures that the assets and liabilities are recognized, presented, and measured appropriately in the financial statements.

Responsibilities in the accounting-related ICS and RMS

The responsibilities of management and the audit committee

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

Management assures according to the best of its knowledge that the annual financial statements represent a true and fair view of the Company's net assets, financial position and results of operations in accordance with the applicable accounting principles.

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 in all the countries of Société Générale and therefore also by SG Effekten, such as the "Code of Conduct" and the "Compliance Rules", etc., form the basis for responsible behavior also for the employees entrusted with carrying out the accounting process. Despite all risk-mitigating measures established within the scope of the ICS and RMS, established systems and processes that are also adequate and functional cannot guarantee with absolute certainty that 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 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.

An audit committee comprising three salaried employees was established to support management with respect to the accounting process. The audit committee concentrates on the development of the net assets, financial position, and results of operations at least once every year – in particular for the annual financial statements. The shareholder is obligated to adopt the annual financial statements as part of the annual financial statement process. In order to fulfill these duties, the financial statement documents, including management's recommendation on the utilization of unappropriated net profits, are made available to the audit committee along with the auditors' report.

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

Process and execution of the preparation of the financial statements of SG Effekten.

The primary process of recording and processing the transactions is largely standardized and carried out in the responsible divisions, including a review by a "second set of eyes" (separate submission and approval). The information recorded in the area "Accounting and Finance" for business operations in general and for facts and circumstances related to accounting in specific is accessed online over 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 obligated to monitor this process. The technical consulting processes in the central advisory unit are regulated in the working instructions. The parent company is responsible for carrying out the security and filing of the application system databases, for which there are outsourcing contracts. The central data security systems for the mainframe computers as well as 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 as well as by processes to create the workstation profiles. The workstation profiles are created and maintained in the individual divisions, which are also responsible for the approval of access rights and the separation of functions.

Documentation of the processes

As a subsidiary of Société Générale Paris, S.A., the documentation of the processes is specified. This is summarized in the "Accounting & Finance Manual". The main components of the documented processes are automatic controls which ensure the accuracy of data inputs.

Measures for continuous updating of the ICS and RMS

As part of the further development of the ICS and RMS, the Company intends to carry out additional projects and measures that contribute to strengthening the ICS and RMS. Moreover, additional relevant processes are successively adopted and assessed and added to the standard process of the ICS and RMS based on the previously achieved process documentation basis.

Any changes in legal requirements and regulations with respect to the accounting are to be reviewed to determine whether and what consequences they have for the accounting process. The unit for basic accounting issues existing in the Finance area is responsible for the contents. For changes or new regulations that have a significant effect on the accounting process, a project is set up accordingly that takes into account all measures such as adjustments to electronic data processing, work processes, and rules for posting bookkeeping entries, among other things, for all departments.

Supplementary report

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

Forecast report/Outlook

Issuing activities for the 2011 fiscal year depend on the current trend on the financial markets.

After the stabilization of the financial market in 2010, we also expect the issue volume to expand in 2011.

As in the previous years, the Company intends to offer a wide range of products in 2011. However, we have to acknowledge that the investors are focusing increasingly on short-term products.

In addition, the Company intends to conduct its issuing activities also in Swiss francs in 2011.

Net income in fiscal years 2011 and 2012 will be positive, considering the strict risk hedging policy with respect to certificates and warrants.

Frankfurt am Main, March 29, 2011

Management

Société Générale Effekten GmbH

Jean-Louis Jégou

Dr. Joachim Totzke

Günter Happ

Balance Sheet as of December 31, 2010

	Dec. 31, 2010 EUR	Dec. 31, 2009 EUR
ASSETS		
A. CURRENT ASSETS		
I. 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 15,270,665,265.35 (previous year: EUR 11,177,704,735.64)	49,358,874,287.12	31,757,511,995.77
b) Other receivables	1,349,954.12	451,331.94
- of which with a remaining term of more than one year: EUR 0.00 (previous year: EUR 0.00)		
2. Other assets		
- of which with a remaining term of more than one year: EUR 6,208,362,509.57 (previous year: EUR 5,327,655,115.17)	9,518,218,378.05	7,628,270,462.98
	<u>58,878,442,619.29</u>	<u>39,386,233,790.69</u>
II. Bank balances	0.00	183,981.09
B. DEFERRED TAX ASSETS	1,093.24	0.00
C. TRUST ASSETS		
Receivables		
- of which with a remaining term of more than one year: EUR 3,071,563,503.18 (previous year: EUR 2,687,210,373.70)	10,882,287,155.15	3,920,798,414.81
	<u>69,760,730,867.68</u>	<u>43,307,216,186.59</u>
EQUITY & LIABILITIES		
A. EQUITY		
I. Subscribed capital	25,564.59	25,564.59
II. Retained profits brought forward	395,098.81	338,353.93
III. Net income for the year	93,784.65	56,744.88
	<u>514,448.05</u>	<u>420,663.40</u>
B. PROVISIONS		
I. Provisions for pensions and similar obligations	68,488.87	66,284.00
II. Provisions for taxes	20,000.00	5,069.66
III. Other provisions	149,378.00	61,341.00
	<u>237,866.87</u>	<u>124,694.66</u>
C. LIABILITIES		
I. Liabilities under issued certificates	49,358,874,287.12	31,757,511,995.77
- of which, with a remaining term of up to one year: EUR 34,088,209,021.77 (previous year: EUR 20,579,807,260.13)		
II. Trade payables	352,233.88	87,166.88
- of which, with a remaining term of up to one year: EUR 352,233.88 (previous year: EUR 87,166.88)		
III. Liabilities to affiliated companies	246,649.91	25.03
- of which, with a remaining term of up to one year: EUR 239,821.63 (previous year: EUR 25.03)		
IV. Other liabilities		
- of which, with a remaining term of up to one year: EUR 3,309,855,717.13 (previous year: EUR 2,300,618,110.87)	9,518,218,226.70	7,628,273,226.04
- of which taxes: EUR 2,261.99 (previous year: EUR 2,999.35)		
	<u>58,877,691,397.61</u>	<u>39,385,872,413.72</u>
D. TRUST LIABILITIES		
Certificates		
- of which, with a remaining term of up to one year: EUR 7,810,723,651.97 (previous year: EUR 1,233,568,041.03)	10,882,287,155.15	3,920,798,414.81
	<u>69,760,730,867.68</u>	<u>43,307,216,186.59</u>

SOCIÉTÉ GÉNÉRALE EFFEKTEN GMBHFRANKFURT AM MAININCOME STATEMENTFOR THE PERIOD FROM JANUARY 1, 2010, TO DECEMBER 31, 2010

	2010 EUR	2009 EUR
1 Income from option contracts	7,372,359,163.78	11,202,883,387.96
2 Expenses from option contracts	7,372,359,163.78	11,202,883,387.96
3. Income from the certificate business	5,065,944,591.40	12,589,461,612.93
4. Expenses from the certificate business	5,065,944,591.40	12,589,461,612.93
5. Other operating income	3,155,446.80	1,929,012.42
6. Personnel expenses		
a) Wages and salaries	141,464.52	177,809.62
b) Social security, post-employment and other employee benefit costs of which in respect of old age pensions EUR 10,204.87 (previous year: EUR 7,108.00)	32,667.98	36,729.28
7. Other operating expenses	2,836,799.87	1,631,049.31
8. Other interest and similar income	625.89	587.52
- of which from affiliated companies: EUR 625.89 (previous year: EUR 587.52)		
9. Interest and similar expenses	5,058.62	2,886.29
- of which from affiliated companies: EUR 5,058.62 (previous year: EUR 2,886.29)		
10. Result from ordinary activities	140,081.70	81,125.44
11. Taxes on income	46,297.05	24,380.56
- of which from deferred tax assets: EUR 1,093.24 (previous year: EUR 0.00)		
12. Net income for the year	93,784.65	56,744.88

**Société Générale Effekten GmbH
Frankfurt am Main**

**Notes to the Annual Financial Statements
for Fiscal Year 2010**

Notes to the annual financial statements for the period ended December 31, 2010, and other disclosures

The annual financial statements of Société Générale Effekten GmbH for the period ended December 31, 2010, 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. General information regarding the annual financial statements

The annual financial statements were prepared for the first time in accordance with the provisions of the German Accounting Law Modernization Act (Bilanzierungsmodernisierungsgesetz, "BilMoG"). In this respect, the previous form of presentation and previously applied methods of measurement were adjusted. Insofar, there has been no break in consistency (Art. 67 (8) sentence 1 of the Introductory Act to the German Commercial Code (Einführungsgesetz zum Handelsgesetzbuch, "EGHGB"). The previous year's figures were not adjusted as a result of the option granted under Art. 67 (8) sentence 2 EGHGB.

2. Accounting policies

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

Deferred taxes are calculated based on temporary differences between the financial and tax accounts in accordance with section 274 HGB. They were presented as deferred tax assets in the amount of EUR 1,093.24 in the balance sheet based on pension provisions. The tax rate used to calculate deferred taxes was 31.93%.

The provisions for pensions were measured at the settlement amount necessary according to prudent business judgment (section 253 (1) sentence 2 HGB) based on actuarial principles taking into account the mortality tables 2005 G. They are discounted based on an estimated remaining term of 15 years (section 253 (2) sentence 2 HGB). The projected unit credit method is applied as the actuarial method of measurement. An actuarial interest rate of 5.15% (previous year: 5.25%), a benefits dynamic of 2.79% (previous year: 2.84%), and a pension dynamic of 1.79% (previous year: 2.04%) were used as parameters for the provisions for pension commitments.

Liabilities are recognized at their settlement amount (section 253 (1) sentence 1 HGB).

Warrant premiums are recognized as other assets or other liabilities until the warrant is exercised or until it expires, at which time they are recognized in the income statement.

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

Hedge accounting was applied to liabilities under issued certificates and warrants as well as the hedging transactions presented under receivables and other assets and they were recognized under liabilities at cost or recognized under assets in the amount of the issuing proceeds. These represent perfect micro hedges that are not measured in accordance with section 254 HGB due to their qualification for the use of hedge accounting; i.e. the net hedge presentation method is applied, because the offsetting changes in value are not recognized (section 285 no. 19b and c HGB as well as section 285 no. 23a and b HGB). It was not necessary to recognize impairment allowances for 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 Paris.

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

3. Balance sheet disclosures

Receivables from affiliated companies amount to EUR 49,360,224 thousand (previous year: EUR 31,757,963 thousand) owed by the shareholder.

Other assets mainly include the OTC options acquired 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 as well as auditing and consulting expenses.

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

Issues denominated in foreign currencies are presented under the asset item "receivables from the investment of issuing proceeds" and under the liability item "liabilities under issued certificates" (respectively EUR 674,120 thousand from USD and EUR 1,112,589 thousand from GBP). These amounts were translated to euros at the official mean rate of exchange prevailing on December 31, 2010.

Maturities schedule of receivables and liabilities

in € thousands	Total amount	Remaining term up to 1 year	Remaining term 1 to 5 years	Remaining term more than 5 years
Receivables				
- from the investment of issuing proceeds	49,358,874	34,088,209	14,975,699	294,966
- other receivables	1,350	1,350	0	0
- from trust	10,882,287	7,810,724	2,301,215	770,348
Other assets	9,518,219	3,309,856	5,120,531	1,087,832
Liabilities				
- from issued certificates	49,358,874	34,088,209	14,975,699	294,966
- trade payables	352	352	0	0
- liabilities to affiliated companies	247	240	7	
- other liabilities	9,518,219	3,309,856	5,120,531	1,087,832
- from trust	10,882,287	7,810,724	2,301,215	770,348

4. Income statement disclosures

The income statement was prepared using the total cost (nature of expense) 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 costs associated with stock exchanges.

Taxes on income **relate to the result from ordinary activities.**

5. Disclosures regarding new issue activities

The issue volume in the 2010 fiscal year is presented below: all issues are completely hedged by entering into OTC options with identical terms and/or the investment of issuing proceeds on the part of Société Générale S.A., Paris.

TYPE OF WARRANT/CERTIFICATE	TYPE	FISCAL YEAR 2010			FISCAL YEAR 2009		
		NUMBER	VOLUME (IN UNITS)	LONGEST TERM TO MATURITY	NUMBER	VOLUME (IN UNITS)	LONGEST TERM TO MATURITY
Warrants							
Equity warrants	CALL	1	500,000	22/06/2011	7	5,475,000	28/12/2012
	PUT	6	920,000	23/03/2012	9	4,850,000	17/12/2010
	Open End Turbo Short	-	-	-	1	1,300,000	open end
	Open End Turbo Long	2	1,000,000	open end	2	1,266,000	open end
	Discount warrant	-	-	-	1	1,000,000	29/12/2009
	Inline warrant	401	120,300,000	23/12/2011	20	4,445,000	04/09/2009
		410	122,720,000		40	18,136,000	
Index warrants	CALL	200	152,123,500	07/07/2016	61	16,009,000	27/12/2010
	PUT	176	155,954,000	25/03/2011	121	110,802,000	27/12/2010
	Open End Turbo Short	31	13,170,000	open end	-	-	-
	Open End Turbo Long	44	19,590,000	open end	-	-	-
	Inline /stay - high/low warrant	931	278,725,000	04/01/2013	113	33,284,000	27/12/2010
	Corridor hit warrant	59	17,700,000	23/12/2011	15	4,500,000	29/12/2009
	Put down and out	10	3,227,500	23/12/2011	97	173,764,000	25.06.2010
		1,451	640,490,000		407	338,359,000	
Currency options	Open End Turbo Short	71	22,036,000	open end	-	-	-
	Open End Turbo Long	72	21,796,000	open end	-	-	-
		143	43,832,000				
Commodities options	CALL	505	267,170,000	24/06/2016	50	33,100,000	22.06.2010
	PUT	311	149,080,000	22/12/2015	60	23,300,000	22/12/2011
	Open End Turbo Short	374	184,470,000	open end	93	58,880,000	open end
	Open End Turbo Long	781	492,560,000	open end	362	289,590,000	open end
	Inline warrant	179	53,700,000	21/12/2012	6	1,450,000	22/09/2009
		2,150	1,146,980,000		571	406,320,000	
Fixed Income	Open End Turbo Short	37	12,080,000	open end			
	Open End Turbo Long	38	12,070,000	open end			
		75	24,150,000				
Futures	Bund Future	-	-	-	-	-	-
	Future	786	331,710,000	open end	1,726	778,233,000	open end
		786	331,710,000		1,726	778,233,000	
TOTAL Warrants:		5,015	2,309,882,000		2,744	1,541,048,000	

TYPE OF WARRANT/CERTIFICATE	TYPE	FISCAL YEAR 2010			FISCAL YEAR 2009		
		NUMBER	VOLUME (IN UNITS)	LONGEST TERM TO MATURITY	NUMBER	VOLUME (IN UNITS)	LONGEST TERM TO MATURITY
certificates							
Equity certificates	Index	-	-	-	1	200,000	05.02.2010
	Bonus	5,013	1,091,531,300	02/01/2015	4,214	802,036,500	22.06.2012
	Discount	916	254,167,000	23/12/2011	549	133,758,000	27/12/2010
	Express	38	2,940,000	06/12/2013	-	-	-
	Guaranties	3	300,000	07/09/2017	-	-	-
	Other	35	52,122,000	Open end	144	31,318,956	Open end
		6,005	1,401,060,300		4,908	967,313,456	
Bonds	Equities	863	56,375,000	04/01/2013	-	-	-
	Index	1	500,000	Open end	-	-	-
	Coupon bonds	3	700,000	29/11/2013	-	-	-
	Reverse convertible	30	1,500,000	04/08/2011	-	-	-
		897	59,075,000				
index certificates	Index	-	-	-	5	1200000	20/02/2012
	Guaranties	10	10,350,000	05/02/2016	1	150000	07/12/2015
	Airbag	-	-	-	1	50,000	15/07/2013
	Bonus	3160	283,281,585	11/12/2015	2488	251,524,400	06.03.2014
	Discount	608	83,893,500	04.01.2013	586	111,345,400	04.01.2013
	Express	66	9,200,000	16/12/2016	20	3,850,000	27/11/2015
	Outperformance	-	-	-	-	-	-
	Other	21	2,355,000	13/09/2018	94	10,109,300	Open end
		3,865	389,080,085		3,195	378,029,100	
Currency certificates	Other	1	3000	Open end	2	2,064,000	23/02/2010
		1	3,000		2	2,064,000	
Commodities certificates	Guaranties	1	250,000	Open end	-	-	-
	Bonus	101	17,128,000	22/06/2012	11	1,141,000	17/12/2010
	Discount	215	34,580,000	22.06.2011	86	15,007,000	22.06.2011
	Other	40	219,187,000	Open end	7	540,000	07.07.2014
		357	271,145,000		104	16,688,000	
Fund certificates	Other	-	-	-	1	4,000	09/03/2010
		0	0		1	4,000	
Futures certificates	Index	-	-	-	1	102,000	Open end
	Guaranties	-	-	-	-	-	-
	Bonus	49	2,599,000	23/12/2011	46	2,365,500	27/12/2010
	Discount	46	2,411,000	19/11/2012	116	12,010,000	23/11/2010
	Other	-	-	-	33	8,783,000	Open end
		95	5,010,000		196	23,260,500	
TOTAL Certificates		11,220	2,125,373,385		8,406	1,387,359,056	
Total Certificates and Warrants:		16,235	4,435,255,385		11,150	2,928,407,056	

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 using generally accepted option price models by Société Générale S.A., Paris.

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

The type, scope, and fair value of the derivative hedging transactions as of the balance sheet date is presented below: the Company holds 1,314 OTC options with a fair value of EUR 3,897 million to hedge equities and index warrants, 218 OTC options with a fair value of EUR 442 million to hedge currency warrants and 3,494 OTC options with a fair value EUR 14,904 million to hedge warrants on commodities.

In addition, the Company holds 12,091 certificates with a fair value EUR 60,031 million.

The carrying amount of the warrants listed here for the period ended December 31, 2010, is EUR 9,518 million and is included in the balance sheet under other liabilities. The carrying amount of the issued certificates for the period ended December 31, 2010, is EUR 49,359 million and is presented in the balance sheet under liabilities under issued certificates or under trust liabilities.

6. Disclosures regarding the fees recognized as expenses in the fiscal year

The fee recognized in the 2010 fiscal year as expense for the 2010 audit amounts to EUR 56 thousand.

7. Disclosures regarding board members and employees

The following individuals were appointed as managing directors in the 2010 fiscal year:

Jean-Louis Jégou, trained banker, Frankfurt am Main
Dr. Joachim Totzke, general counsel, Frankfurt am Main
Günter Happ, trained banker, Flieden

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 2010 as remuneration 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 consisting of the following members was established in accordance with section 264d HGB:

Francis Repka (Chairman)
Catherine Bittner
Achim Oswald

8. 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 web at www.socgen.com.

Frankfurt am Main, March 29, 2011

Management

Société Générale Effekten GmbH

Jean-Louis Jégou

Dr. Joachim Totzke

Günter Happ

Cash Flow Statement

	2010 EUR	2009 EUR
1. Cash flow from operating activities		
Net income/net loss for the fiscal year before extraordinary	93,784.65	56,744.88
Increase (decrease) in provisions	113,172.21	-206,172.00
Increase in trade receivables as well as other assets not attributable to investment or financing activities	-26,453,697,568.94	-12,192,202,393.22
Increase in deferred tax assets	-1,093.24	0.00
Increase in trade payables as well as other liabilities not attributable to investment or financing activities	<u>26,453,307,724.23</u>	<u>12,192,535,801.43</u>
Cash flow from continuing operations	-183,981.09	183,981.09
2. Closing balance of cash funds		
Change in cash funds	-183,981.09	-18,650.76
Opening balance of cash funds	<u>183,981.09</u>	<u>202,631.85</u>
Closing balance of cash funds	<u><u>0.00</u></u>	<u><u>183,981.09</u></u>
3. Composition of cash funds		
Liquid assets	<u><u>0.00</u></u>	<u><u>183,981.09</u></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.
- 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.

Other disclosures in accordance with paragraph 53 of German Accounting Standard (DRS) 2:

The amount of cash funds presented is not attributable to companies proportionately included in the consolidated group and is not subject to any restrictions on disposal.

Statement of changes in equity

	Subscribed capital	Retained earnings	Equity
Balance as of Jan. 01, 2009	25,564.59	338,353.93	363,918.52
Distribution of dividends	-	-	-
Other changes	-	-	-
Net income for the year		56,744.88	56,744.88
Balance as of Dec. 31, 2009	25,564.59	395,098.81	420,663.40
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