

**Société Générale Effekten GmbH
Frankfurt am Main**

**Management Report
for the 2013 financial year**

A. Legal and Commercial Basis of the Company

Société Générale Effekten is a wholly-owned subsidiary of Société Générale S.A., Paris. The purpose of the company is to issue warrants and certificates, all of which are sold to the parent company, Société Générale S.A., Paris, to Société Générale Option Europe S.A., Paris, to Société Générale, Madrid branch, and to Inora LIFE Limited, Dublin. All counterparties are wholly-owned subsidiaries of Société Générale S.A.

Due to the implementation of the unified European permit ("European passport"), meaning that only a single approval of the prospectuses by the responsible supervisory authority (BaFin) is necessary, the Company lists its products on various stock exchanges in the European Union (stock exchanges in Madrid, Milan, Paris, Luxembourg, London, Stockholm, etc.).

After being purchased by the counterparties listed above, in a second step the issues are placed with end customers by Société Générale S.A., Paris, so that no influence on the economic circumstances of the issuer results from this action.

B. Financial Review

I. Operating Conditions for Financial Year 2013

The German economy grew at a moderate rate in financial year 2013. The foreign trade environment continued to have a braking effect; the adjustment processes to deal with the financial crisis in the southern part of the euro zone continued, while development weakened considerably in the developing countries. Domestic economic factors in Germany, on the other hand, continued to stabilize. Continued positive development in employment supports private consumer spending and thus reinforces economic development.

The moderate recovery in the euro zone that has started to occur following a longer-lasting recession in some euro countries can be expected to continue at a moderate pace, with widely varying development in the individual member states.

The changes in base factors (stock and currency prices, indices, etc.) accompanying the economic development are the foundation for investors' expectations and are thus crucial to the design of issued products in the area of warrants and certificates. When launching new products in the past financial year 2013, the Company reacted quickly to such changes and created new products accordingly. The positive development of the German stock index led to premature "knock-out" of a large number of issues, which were replaced with new products.

II. Business developments

Financial year 2013 was characterized by a drastic increase in the issue volume in the areas of warrants and certificates compared to the prior year.

The issue amount per product has declined significantly compared to prior years due to the implementation of the “up-to global note” (conversion in 2011), which has also led to a reduction in total assets. In this process, the issue amount depends on expected demand and can be increased incrementally as needed. This reduces non-placement of the total issue.

Warrants for a total of 32,740 issues (PY: 17,719) were issued in financial year 2013. Along with 17,392 issues on stocks, 11,835 issues were created for various indices, 112 issues on fixed income, 183 issues on foreign currencies, and 3,218 issues on raw materials.

In addition, 15,872 certificate products were issued (PY: 14,681). These are primarily bonus and discount certificates, unchanged from the prior year.

III. Net assets, financial position and results of operations

a) Net assets

Total assets declined year-on-year by EUR 8,583 million to the current EUR 21,851 million.

The company's share capital remains unchanged at EUR 26 thousand. In addition, the company holds EUR 807 thousand in profit carried forward. The company's equity increased by the earned net income of EUR 98 thousand (PY: EUR 215 thousand) to EUR 931 thousand (PY: EUR 833 thousand).

All receivables are owed by the sole shareholder. No credit risks exist outside the Société Générale group.

b) Financial performance

The proceeds from the sale of issued warrants and certificates are always offset by the expenses for the acquisition of the corresponding hedging transactions, so that the Company does not generate any profit from its new issue activities.

Personnel expenses and other operating expenses are passed on to Société Générale S.A., Paris, based on a “cost plus arrangement.” As designed, it is not possible for the company to earn a net loss for the year, regardless of sales.

c) Financial position and liquidity

The nature and settlement of the Company's business activities aim at maintaining a balanced financial position at all times. Business transactions affecting cash flow result from the issues and their hedging transactions, from settlement of personnel and other operating expenses, and their on-debiting to Société Générale S.A., Paris.

Due to the complete reimbursement of all costs accruing at issue by the parent company, the company has sufficient liquidity and is in a position to satisfy all payment obligations.

IV. Non-financial performance indicators

The parent company is working to adjust systems and monitoring processes to its subsidiaries in order to increase operating efficiency. Therefore, several migrations of reporting systems were successfully carried out in financial year 2013.

C. Report on future development and opportunities and risks of the Company

I. Expected development of the Company (forecast report)

As a consequence of the global financial market crisis that occurred in 2008, regulation projects were carried out at the national and international level in a wide variety of areas with the intent to create a more transparent and stable financial system. These projects are already being implemented or will be implemented in the next several years. The focus is particularly on new regulations for banks, but the financial market infrastructure and the processing of securities, derivatives, and other financial instruments are also partially affected. This results in adjustments to the Company's internal and external reporting system. Examples include regulations in the OTC area (EMIR) as well as adjustments in statutory reporting to the Deutsche Bundesbank.

The uncertainty regarding the future behavior of market players makes it more difficult to forecast the development of issue volume. However, the Company is currently assuming that its issuing activity will also significantly increase in 2014.

The Company intends to offer a broad range of products in the area of warrants and certificates again in 2014.

The Company further intends to continue its issuing activities on the Swedish market, which began in 2012, as well as the listing in Spain that began in the 3rd quarter of 2013.

Earnings in financial year 2014 will be positive, factoring in the Company's strict risk-covering policy, and will be of a similar volume to the past financial year. No liquidity bottlenecks will occur.

II. Risk report

The Company's risk situation is characterized by its well-organized transaction structure and its close integration into the Société Générale group.

Borrower default risks

There are no performance risks, since the payments from the sale of the securities issued and from the purchase of the hedge transactions, as well as those from any exercise of options, are always balanced. Receivables are only owed by the parent company, Société Générale S.A., Paris. The credit rating of Société Générale S.A., Paris, and its subsidiaries is the key factor for risk assessment.

Market price risks

All market price risks associated with issued warrants and certificates are fully hedged through hedging transactions with Société Générale S.A., Paris. This means there are no price change risks or interest rate risks.

Liquidity risks

Daily monitoring of the payment flows and close coordination with the back-office departments in Paris ensure that the Company is always in a position to fulfill its payment obligations. No liquidity risks can be discerned at present due to the integration into the Société Générale group.

Operational risks

Société Générale S.A., Paris, has developed processes and systems for monitoring and controlling operational risks that are used by Société Générale Effekten GmbH. They are essentially based on the principle of permanent monitoring. Specially designed applications document processes and evaluate them according to prescribed criteria in order to prevent losses from operational risks. There are also precautions in the context of the Business Continuity Plan (BCP) to maintain seamless business operations in the event of disruptions to the infrastructure. The same rules and principles apply to the outsourced processes in the service centers in Bangalore and Bucharest as apply to Société Générale Effekten GmbH.

The measures and processes described here made it possible to ensure that no operational risks occurred in financial year 2013 in the following areas:

- Regulatory compliance risks
- Information technology risks
- Outsourcing risks
- Fraud risks

III. Opportunity report

The Company's strategy is designed to identify opportunities that arise in good time, to assess them using our risk management system or resource estimator, and to use them for successful development of the Company by means of suitable measures. A New Product Committee (NPC) is appointed in each case to design new products. All departments involved in the issuing process contribute their specific needs and resource allocations.

Consideration is given to all relevant factors for the Company, such as markets, competitive situation, strategic orientation, existing organization, personnel, back office, technical processing capacity, and volume factors.

D. Internal controlling and risk management system with regard to the financial accounting process

With regard to the financial accounting process, the Internal Controlling System (ICS) and Risk Management System (RMC) cover the principles, processes, and measures to ensure the effectiveness and efficiency of the financial accounting as well as to ensure compliance with the relevant legal regulations, and also risk hedging and representation of measurement units. They ensure that the assets and liabilities are accurately recognized, disclosed, and measured in the financial statements.

Responsibilities in ICS and RMS related to financial accounting

Responsibilities of the management and the Audit Committee

The management runs the Company independently and cooperates with the other Company bodies for the good of the Company in a relationship of trust and cooperation. The management has overall responsibility for preparing the annual financial statements, among other things.

The management affirms to the best of its knowledge and belief that the annual financial statements give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with the applicable principles of proper accounting.

The management independently determines the scope and alignment of the ICS and RMS specifically oriented to the Company and takes measures to enhance the systems and to adjust them to changing framework conditions.

The value systems that have applied for years in all countries of the Société Générale group and thus also in Société Générale Effekten GmbH, such as the "Code of Conduct" but also "Compliance Rules," etc., also constitute the basis for responsible action for the employees entrusted with the financial accounting process.

Company employees must complete a course every year on money laundering and compliance using a computer-based learning program.

Despite all risk mitigation measures established in the context of ICS and RMS, even adequate and functional systems and processes cannot provide an absolute guarantee that risks will be identified and managed. The Accounting department is responsible for the financial accounting process and particularly for the process of creating the annual financial statements. The Accounting department is supported by the back-office departments of Société Générale S.A., Paris, particularly with regard to the measurement of financial instruments and receivables.

The IT systems necessary for the financial reporting process are made available by the parent company.

An Audit Committee was established to support the management in the financial accounting process, consisting of four persons (one employee of Société Générale Effekten GmbH and three employees of Société Générale, Frankfurt Branch). The Audit Committee deals with the development of net worth, financial position and operating results at least once annually—particularly with regard to the annual financial statements. Within the annual financial statements process, the shareholder is required to approve the annual financial statements. The Audit Committee is supplied with the financial statement documents, including the proposal by management for appropriation of net income together with the preliminary auditor's report, in order to perform these tasks. In addition, the members of the Audit Committee receive a summary report on issuing activity and its financial accounting once per quarter.

Organization and components of the internal controlling and risk management system related to financial accounting

The business transactions to be processed by Société Générale Effekten GmbH are centrally recorded by data entry into product-specific applications by a back-office department of the parent company in Paris. The concluded transactions (contracts) are recorded in the applications and released using the double verification principle.

The accounts payable accounting for vendor invoices is carried out in Bangalore by Société Générale Global Solution Centre Private Limited (a 99% subsidiary of Société Générale S.A., Paris).

The services to be provided are stipulated in the Service Agreement between Société Générale S.A., Frankfurt Branch, and Société Générale Global Solution Centre Private Limited, Bangalore, for Société Générale Effekten GmbH.

The scanned documents are input and posted in Bangalore. Company employees issue approval and release for payment.

Head office reporting and the regulatory report to the Deutsche Bundesbank are produced in Bucharest by Société Générale European Business Services S.A. (a 99.95% subsidiary of Société Générale S.A., Paris).

The services to be provided are stipulated in the Client Services Agreement between Société Générale S.A., Frankfurt Branch, and Société Générale European Business Services SA, Bucharest, for Société Générale Effekten GmbH.

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

Company employees in Frankfurt monitor the current cash accounts daily and thus ensure controlling of the outsourced activities. The Intranet is used to access the information stored in the "Accounting" area for business operations in general and for financial accounting circumstances in particular. Technical system support for preparing the financial statements has been outsourced to the subsidiary responsible for IT in the SG group.

The parent company is responsible for monitoring. The technical support processes at the central support unit are regulated in procedural directives. The databases for the application systems are backed up and archived under the responsibility of the parent company. Statutory retention periods are complied with. Contingency plans are updated and monitored by Company employees. Data backup is based primarily on the centralized data backup systems for the mainframe computers and on the storage networks for the open systems area. The data are mirrored redundantly in Paris.

The necessary access protection to prevent unauthorized access and the maintenance of functional separation when using the Company's application systems relevant to financial accounting are particularly ensured by the concept of system profiles as well as processes to create system profiles. The system profiles issued to the individual back-office department in Paris as well as to the service center employees in Bangalore and Bucharest are issued and monitored by right holders in the Company using a specially developed system.

Documentation of the Processes

Documentation of the processes is prescribed as a subsidiary of Société Générale Paris, S.A. They are summarized in the "Accounting & Finance Handbook." Automatic monitoring ensuring the correctness of input data is the primary component of the documented processes.

The most important procedures in the financial accounting process are listed in the "MORSE" application. This application contributes to completion of the documentation process, and provides a suitable instrument to ensure the financial accounting process in case of internal auditing.

Measures for ongoing updating of the ICS and RMS

In the context of enhancing the ICS and RMS, the Company carried out additional projects and measures that contributed to strengthening the ICS and RMS. These included a review of the process flows in connection with preparing the monthly results and their inclusion in process mapping.

Furthermore, additional relevant processes were included, starting from the basis of process documentation already achieved, and then transferred into the normal process of the ICS and RMS.

In case of amendments of legal requirements and regulations relating to financial accounting, such changes must be reviewed as to whether and what consequences they may have for the financial accounting process. The Company's local Accounting department is responsible for content processing. In case of amendments or new provisions that have considerable effects on the processing of financial accounting, analysis starts with the existing process mapping. All measures such as IT adjustments, process flows, posting instructions, etc., are analyzed and implemented accordingly in the back-office departments in Paris as well as in the outsourced service departments in Bangalore and Bucharest, and monitored and controlled by employees at the Company in Frankfurt.

E. Significant events after the balance sheet date

No significant events possibly affecting the net worth, financial position and operating results occurred after the conclusion of the financial year.

Frankfurt/Main, March 21, 2014

The Management

Société Générale Effekten GmbH

Jean-Louis Jégou

Dr. Joachim Totzke

Dr. Ulrich Scheuerle

Balance Sheet as of December 31, 2013

	Dec. 31, 2013 EUR	Dec. 31, 2012 EUR	Dec. 31, 2013 EUR	Dec. 31, 2012 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 6,660,798,562.16 (previous year: EUR 11,137,474,117.60)	10,055,371,126.43	17,494,894,657.67		
b) Other receivables	1,442,072.71	1,377,615.91		
2. Other assets	5,376,266,955.37	7,164,311,547.17		
- of which with a remaining term of more than one year: EUR 3,535,813,231.77 (previous year: EUR 5,582,479,125.71)	15,433,080,154.51	24,660,583,820.75		
B. DEFERRED TAX ASSETS				
C. TRUST ASSETS				
Receivables				
- of which with a remaining term of more than one year: EUR 5,698,626,941.69 (previous year: EUR 5,096,724,378.16)	6,418,253,205.21	5,773,413,777.30		
LIABILITIES & LIABILITIES				
A. EQUITY				
I. Subscribed capital	25,564,59	25,564,59		
II. Retained profits brought forward	806,949,38	591,482,34		
III. Net income for the year	98,023,16	215,467,04		
	930,537,13	832,513,97		
B. PROVISIONS				
I. Provisions for pensions and similar obligations	142,719,48	95,457,61		
II. Provisions for taxes	6,300,00	74,025,27		
III. Other provisions	353,854,65	258,308,10		
	502,874,13	427,790,98		
C. LIABILITIES				
I. Liabilities under issued certificates				
- of which, with a remaining term of up to one year: EUR 3,394,572,564.27 (previous year: EUR 6,357,420,540.07)	10,055,371,126.43	17,494,894,657.67		
II. Trade payables	19,897,34	58,156,83		
- of which, with a remaining term of up to one year: EUR 19,897,34 (previous year: EUR 58,156.83)				
III. Liabilities to affiliated companies	13,046,36	62,700,00		
- of which, with a remaining term of up to one year: EUR 13,046.36 (previous year: EUR 62,700.00)				
IV. Other liabilities	5,376,255,307.02	7,164,314,031.80		
- of which, with a remaining term of up to one year: EUR 1,840,442,075.25 (previous year: EUR 1,581,834,906.09)				
- of which taxes: EUR 2,273.25 (previous year: EUR 2,131.75)				
	15,431,659,377.15	24,659,329,546.30		
D. TRUST LIABILITIES				
Certificates				
- of which, with a remaining term of up to one year: EUR 719,626,263.52 (previous year: EUR 676,689,399.14)	6,418,253,205.21	5,773,413,777.30		
	21,851,345,993.62	30,434,003,628.55		

SOCIÉTÉ GÉNÉRALE EFFEKTEN GMBHFRANKFURT AM MAININCOME STATEMENTFOR THE PERIOD FROM JANUARY 1, 2013, TO DECEMBER 31, 2013

	<u>2013</u> EUR	<u>2012</u> EUR
1. Income from option contracts	8.455.883.741,69	4.538.509.942,73
2. Expenses from option contracts	8.455.883.741,69	4.538.509.942,73
3. Income from the certificate business	3.071.364.173,89	3.388.902.182,00
4. Expenses from the certificate business	3.071.364.173,89	3.388.902.182,00
5. Other operating income	4.054.006,62	3.375.037,39
6. Personnel expenses		
a) Wages and salaries	148.316,24	145.186,86
b) Social security, post-employment and other employee benefit costs of which in respect of old age pensions EUR 36,797.87 (previous year: EUR 9,370.87)	62.768,41	31.235,48
7. Other operating expenses	3.686.217,11	2.869.450,92
8. Other interest and similar income	1.256,82	0,00
- of which from affiliated companies: EUR 1,256.82 (previous year: EUR 0.00)		
9. Interest and similar expenses	3.546,99	7.928,60
- of which from affiliated companies: EUR 3,546.99 (previous year: EUR 7,928.60)		
10. Result from ordinary activities	<u>154.414,69</u>	<u>321.235,53</u>
11. Taxes on income	56.391,53	105.768,49
- of which from deferred tax assets: EUR 6,603.40 (previous year: EUR 1,944.50)		
12. Net income for the year	<u><u>98.023,16</u></u>	<u><u>215.467,04</u></u>

**Société Générale Effekten GmbH
Frankfurt am Main**

**Notes to the Annual Financial Statements
for the 2013 fiscal year**

Comments on the annual financial statements at December 31, 2013, and other disclosures

The annual financial statements of Société Générale Effekten GmbH at December 31, 2013, have been prepared according to the accounting regulations of the German Commercial Code (HGB) and the supplementary regulations of the Limited Liability Companies Act (GmbHG) in compliance with generally accepted accounting principles.

1. Recognition and measurement principles

Accounts receivable are recognized at their nominal amount plus accrued interest. Liabilities not hedged are recognized at their settlement value.

The calculation of deferred taxes is based on temporary differences between items on the statement of financial position when considered under commercial law and tax law pursuant to Section 274 HGB. They were recognized in the statement of financial position as deferred tax assets in the amount of EUR 12,633.90 due to pension provisions. The tax rate used to calculate the deferred taxes was 31.93%.

The provisions for pensions were measured at the settlement value according to actuarial principles, taking the 2005 G life expectancy tables into account, which is necessary according to reasonable business assessment (Section 253 (I)(2) HGB). They are discounted on a flat-rate basis using an average market interest rate corresponding to a remaining time to maturity of 15 years (Section 253 (II)(2) HGB). The expectancy cash value method is used as an actuarial measurement method. The following parameters were assumed for the pension provisions: a discount rate of 4.90% (PY: 5.06%), a remuneration development of 2.90% (PY: 2.90%), and pension development of 1.90% (PY: 1.90%). The effects of interest rate changes are recognized in the operating profits. The other provisions with a remaining term of up to one year are not discounted.

Option premiums are recognized until exercise or lapse as Other assets or Other liabilities. At exercise or lapse, collection occurs, affecting net income.

The issued certificates are recognized as Liabilities from issued certificates until due. The issued certificates are offset by hedging transactions, which are recognized in Receivables from affiliated companies.

The liabilities from issued certificates and warrants and the hedging transactions recognized in Receivables and other assets were merged into measurement units and included on the liabilities side at cost of purchase or recognized as assets in the amount of the issue proceeds. These are perfect micro-hedges. Measurement pursuant to Section 254 HGB does not occur due to their characteristic as measurement units, i.e., due to non-recognition of the offsetting changes in value, the net hedge presentation method is used in this context (Section 285 (19b) and (19c) HGB as well as Section 285 (23a) and (23b) HGB). It was not necessary to make any value adjustments on the Receivables and Other Assets.

The portfolio of issued options and certificates at the reporting date is fully hedged against market price changes using hedging transactions with the shareholder.

In addition, the Company works in the context of a trust agreement with the sole shareholder, Société Générale S.A., Paris.

The certificates from trust transactions are offset by hedging transactions that are recognized under trust assets. Recognition of these transactions occurs at cost of purchase.

2. Notes to the statement of financial position

The **Receivables from affiliated companies** consist of EUR 10,056,813 thousand (PY: EUR 17,496,272 thousand) owed by the shareholder. Other Receivables include "Cash in banks" in the amount of EUR 359 thousand (PY: EUR 470 thousand).

Other Assets primarily comprise the OTC options acquired by the shareholder to hedge issued warrants.

The **Trust Receivables** involve funds forwarded to the shareholder from multiple certificates issued for the shareholder.

The **Other Provisions** result primarily from provisions for issuing costs as well as audit and consulting costs.

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

Issues (certificates) in foreign currencies are recognized in the item "Receivables from Investment of Issue Proceeds" on the assets side and the item "Liabilities from Issued Certificates" on the liabilities side of the statement of financial position (each EUR 9,315 thousand from CAD, EUR 22,576 thousand from SEK, EUR 424,088 thousand from USD, and EUR 854,073 thousand from GBP), and in the item "Trust Assets – Receivables" on the assets side and "Trust Payables – Certificates" on the liabilities side (each EUR 500 thousand from CHF and EUR 366,279 thousand from USD). These amounts were translated using the official average exchange rate at 12/31/2013.

Issues (warrants) in foreign currencies are recognized in the item "Other Assets" on the assets side and "Other Liabilities" on the liabilities side of the statement of financial position (each EUR 780 thousand from GBP and EUR 1,724, 229 thousand from SEK). These amounts were translated using the official average exchange rate at 12/31/2013.

Breakdown of receivables and payables by maturity

in EUR'000	Total	Due up to 1 year	Due 1 to 5 years	Due More than 5 years
Receivables				
- From investment of issue proceeds	10,055,371	3,394,573	4,363,263	2,297,535
- Other receivables	1,442	1,442	0	0
- From trust accounts	6,418,253	719,626	4,816,192	882,435
Other assets	5,376,267	1,840,454	1,376,835	2,158,978
Liabilities				
- From issued certificates	10,055,371	3,394,573	4,363,263	2,297,535
- Trade receivables	20	20	0	0
- Due to affiliated companies	13	13	0	0
- From trust accounts	6,418,253	719,626	4,816,192	882,435
Other liabilities	5,376,255	1,840,442	1,376,835	2,158,978

3. Notes to the Income Statement

The income statement is prepared in accordance with the period accounting method.

Other Operating Income primarily related to cost absorption by the shareholder.

Other Operating Expenses consist primarily of issue costs, legal and consulting fees, and stock exchange costs.

Income Taxes relate to the result of ordinary operations.

4. Information on the issuing activities

The total issue of fiscal year 2013 breaks down as follows: All issues are fully hedged by concluding identical-equipped OTC options or by investing issue proceeds with Société Générale S.A., Paris.

WARRANT CATEGORY / CERTIFICATES	TYPE	FISCAL YEAR 2013			FISCAL YEAR 2012		
		NUMBER	VOLUME (IN UNITS)	LONGEST MATURITY	NUMBER	VOLUME (IN UNITS)	LONGEST MATURITY
Warrants							
Stock warrants	CALL	4,477	4,396,151,000	21-Jan-33	816	1,685,903,000	22-Dec-17
	PUT	1,647	520,322,000	03-Jan-25	11	2,103,000	04-Jan-13
	Open End Turbo Long	127	6,733,000	open end	259	14,012,000	open end
	Inline / StayHigh/ StayLow warrant	11,070	222,852,000	02-Jan-15	5,861	117,240,000	03-Jan-14
	Corridor hit warrant	-	-	-	-	-	-
	Hamster warrant	-	-	-	19	380,000	11-Jun-12
	Discount warrant	-	-	-	1	40,000	03-Jan-14
		17,321	5,146,058,000		6,967	1,819,678,000	
Index warrant	CALL	1,186	731,099,000	21-Jan-33	590	443,002,200	22-Dec-17
	PUT	954	274,610,500	03-Jan-25	414	158,087,000	02-Jan-15
	Open End Turbo Short	154	11,377,000	open end	98	8,011,800	open end
	Open End Turbo Long	169	17,449,000	open end	165	18,333,173	open end
	Inline / StayHigh/ StayLow warrant	9,219	185,648,845	26-Jun-15	4,358	88,202,000	27-Jun-14
	Corridor hit warrant	-	-	-	-	-	-
	Hamster warrant	-	-	-	35	700,000	12-Sep-12
	Discount warrant	120	6,420,000	03-Jan-14	77	2,578,000	03-Jan-14
	Condor warrant	1	100,000	03-Jan-14	127	5,080,000	03-Jan-14
	Other	32	910,000	open end	21	2,200,005	open end
		11,835	1,227,614,345		5,865	726,193,878	
Currency warrant	Open End Turbo Short	98	88,134,000	open end	87	4,327,000	open end
	Open End Turbo Long	85	67,200,000	open end	120	5,444,000	open end
		183	155,334,000		207	9,771,000	
Raw material warrant	CALL	654	117,063,500	22-Dec-18	415	217,476,500	22-Nov-18
	PUT	357	50,197,000	22-Dec-17	281	79,610,000	22-Nov-18
	CALL Future	-	-	-	-	-	-
	PUT Future	-	-	-	-	-	-
	Open End Turbo Short	493	88,538,000	open end	1,124	204,314,000	open end
	Open End Turbo Long	593	94,999,000	open end	1,445	352,559,000	open end
	Inline / StayHigh/ StayLow warrant	1,099	22,880,000	20-Dec-13	904	20,120,870	20-Dec-13
	Hamster warrant	-	-	-	17	340,000	02-Oct-12
	CALL Discount warrant	15	300,000	18-Nov-13	13	520,000	27-Mar-13
	PUT Discount warrant	-	-	-	13	520,000	27-Mar-13
	Corridor Hit warrant	7	130,000	03-Jan-14	18	360,000	15-Jun-12
		3,218	374,107,500		4,230	875,820,370	
Fixed Income	CALL	-	-	-	41	5,423,370	27-Mar-13
	PUT	-	-	-	28	3,349,120	27-Mar-13
	Open End Turbo Short	64	3,240,000	open end	132	7,494,000	open end
	Open End Turbo Long	48	2,947,000	open end	94	6,324,970	open end
	CALL Discount warrant	-	-	-	71	2,260,000	02-Jan-13
	PUT Discount warrant	-	-	-	64	1,960,000	02-Jan-13
		112	6,187,000		430	26,811,460	
Two/multiple base values:	Alpha warrant	71	160,000	21-Jan-33	-	-	-
		71	160,000		0	0	
TOTAL warrants:		32,740	6,909,460,845		17,719	3,458,274,708	

WARRANT CATEGORY / CERTIFICATES	TYPE	FISCAL YEAR 2013			FISCAL YEAR 2012		
		NUMBER	VOLUME (IN UNITS)	LONGEST MATURITY	NUMBER	VOLUME (IN UNITS)	LONGEST MATURITY
Certificates							
Stock certificates	Bonus	3,705	78,168,800	29-Aug-17	5,632	126,727,100	20-Feb-20
	Discount	1,468	34,648,000	02-Jan-15	2,203	85,643,000	08-Jan-14
	Express	299	1,271,720	19-Aug-19	167	1,569,100	25-Mar-19
	Leverage	-	-	-	-	-	-
	Outperformance	60	677,300	26-Jun-15	46	729,800	28-Jun-13
	Alpha	1	7,000	03-Jan-14	2	4,000	05-Sep-14
	Other	20	160,000	27-Jun-14	34	3,077,048	09-Nov-20
		5,553	114,932,820		8,084	217,750,046	
Bonds	Stocks	37	273,904	15-Apr-33	71	1,082,671	28-Dec-21
	Index	-	-	-	12	138,100	30-Aug-18
	Interest-bearing bond	14	32,864	28-Feb-23	48	329,056	28-Dec-22
	Inflation bond	3	1,040	08-Mar-23	7	16,550	21-Dec-18
	Reverse Convertible	-	-	-	2	700	04-Oct-13
	Other	2	10,650	22-May-17	22	651,468	07-Dec-18
		56	318,458		162	2,219,445	
Index Certificates	Bonus	6,428	106,752,725	open end	4,689	30,236,100	24-Jun-16
	Discount	3,351	20,591,090	29-Dec-15	1,287	11,192,000	03-Jan-14
	Express	75	1,638,470	27-Jan-20	37	948,000	04-Jan-19
	Leverage	43	259,550,000	23-Feb-18	20	50,300,000	26-May-17
	Outperformance	5	320,700	27-Jan-17	-	-	-
	Other	39	421,350	open end	53	76,098,607	open end
		9,941	389,274,335		6,066	168,775,707	
Currency certificates	Other	1	300	14-Mar-19	5	23,020,000	24-Oct-16
		1	300		5	23,020,000	
Raw materials certificates	Guarantee	-	-	-	-	-	-
	Bonus	13	295,500	25-Feb-20	65	226,500	14-Feb-19
	Discount	304	1,448,000	19-Dec-14	234	1,083,000	20-Jun-14
	Express	-	-	-	2	18,000	15-Sep-15
	Leverage	-	-	-	4	2,700,000	open end
	Other	4	334,000	open end	16	1,403,000	open end
		321	2,077,500		321	5,430,500	
Fund certificates	Other	-	-	-	-	-	-
		0	0		0	0	
Futures certificates	Index	-	-	-	20	473,000	02-Jan-15
	Bonus	-	-	-	3	1,008,000	16-Apr-14
		0	0		23	1,481,000	
TOTAL Certificates		15,872	506,603,413		14,681	418,676,698	
TOTAL Certificates and Warrants:		48,612	7,416,064,258		32,400	3,876,951,406	

The fair value of the financial derivatives as well as bonds with embedded derivatives is measured in principle using market values; in case of illiquid markets, measurement uses internal models. These "in-house valuation models" are regularly tested by specialists in the Risk department of Société Générale S.A., Paris. Derivative financial instruments with option characteristics are measured by Société Générale S.A., Paris, using generally recognized option price models.

When an active market exists, prices quoted by stock exchanges, brokers, and pricing agencies are used.

The type, volume, and fair values of the derivative hedging transactions at the reporting date are shown below: The Company holds 15,965 OTC options with a market value of EUR 6,493 million to hedge the stock and index warrants, 322 OTC options with a market value of EUR 142 million to hedge the foreign currency warrants, and 3,748 OTC options with a market value of EUR 8,519 million to hedge the raw materials warrants.

In addition, the Company holds 18,008 certificates with a market value of EUR 16,263 million, including trust transactions.

The carrying amount of the warrants listed here at December 31, 2013, is EUR 5,376 million, which is included in the Other Liabilities item on the statement of financial position. The carrying amount of the issued certificates at December 31, 2013, is EUR 16,473 million, which is recognized in the item Liabilities from Issued Certificates and the item Trust Liabilities on the statement of financial position.

5. Statements on the fees recognized as expenses in the reporting year

The auditing fee for 2013, which was recognized as expense in financial year 2013, is EUR 50 thousand.

6. Statements on members of company bodies and employees

The following individuals were appointed as managing directors in financial year 2013:

Mr. Jean-Louis Jégou, banker, Frankfurt am Main
 Dr. Joachim Totzke, General Counsel, Frankfurt am Main
 Dr. Ulrich Scheuerle, tax consultant, Frankfurt am Main (starting November 29, 2013)

The managing directors are employees of Société Générale S.A., Frankfurt am Main branch office. Expenses of EUR 12 thousand as remuneration for the managing director work were passed on to Société Générale Effekten GmbH for financial year 2013.

The Company employed an average of 1.5 employees during the financial year.

As a capital market-oriented company, the Company has established an Audit Committee under Section 264d HGB consisting of the following members:

Mr. Peter Boesenberg (chair)
 Ms. Catherine Bittner
 Mr. Achim Oswald
 Ms. Heike Stuebban (starting November 29, 2013)

7. Group membership

The parent company of Société Générale Effekten GmbH that prepares consolidated financial statements is Société Générale S.A., Paris. Notice of publication of the consolidated financial statements of Société Générale S.A., Paris, occurs in France in the "Bulletin des Annonces Légales et Obligatoires (BALO)" under the heading "Publications Périodiques" (R.C.S: 552 120 222).

The consolidated financial statements are available on the website www.socgen.com.

Frankfurt/Main, March 21, 2014

The Management

Société Générale Effekten GmbH

Jean-Louis Jégou

Dr. Joachim Totzke

Dr. Ulrich Scheuerle

Cash Flow Statement

	2013 EUR	2012 EUR
1. Cash flow from operating activities		
Net income for the fiscal year before extraordinary items	98.023,16	215.467,04
Increase in provisions	75.083,15	115.330,24
Decrease in receivables as well as other assets not attributable to investment or financing activities	8.582.553.063,81	12.725.077.718,48
Increase deferred tax assets	-6.603,40	-1.944,50
Decrease in liabilities under issued certificates as well as other liabilities not attributable to investment or financing activities	<u>-8.582.830.741,24</u>	<u>-12.724.936.655,34</u>
Cash flow from continuing operations	-111.174,52	469.915,92
2. Closing balance of cash funds		
Change in cash funds	-111.174,52	469.915,92
Opening balance of cash funds	<u>469.915,92</u>	<u>0,00</u>
Closing balance of cash funds	<u><u>358.741,40</u></u>	<u><u>469.915,92</u></u>
3. Composition of cash funds		
Liquid assets	<u><u>358.741,40</u></u>	<u><u>469.915,92</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 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, 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
Balance as of Jan. 1, 2013	25.564,59	806.949,38	832.513,97
Distribution of dividends	-	-	-
Other changes	-	-	-
Net income for the year	-	98.023,16	
Balance as of Dec. 31, 2013	25.564,59	904.972,54	930.537,13

Audit opinion of the independent auditor

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, 2013. 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 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 and violations 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 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 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/Main, March 21, 2014

Deloitte & Touche GmbH
Wirtschaftsprüfungsgesellschaft

(Nemet)
Wirtschaftsprüfer (German Public Auditor)

(Lange)
Wirtschaftsprüfer (German Public Auditor)