

06.30.2015 | CONSOLIDATED
FINANCIAL STATEMENTS

(Unaudited figures)

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CONSOLIDATED FINANCIAL STATEMENTS

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Consolidated financial statements

Consolidated balance sheet

ASSETS

<i>(In millions of euros)</i>		30 June 2015	31 December 2014
Cash, due from central banks		71,852	57,065
Financial assets at fair value through profit or loss	Note 4	527,964	530,536
Hedging derivatives		14,847	19,448
Available-for-sale financial assets	Note 5	145,762	143,722
Due from banks	Note 6	89,775	80,709
Customer loans	Note 7	370,186	344,368
Lease financing and similar agreements		26,653	25,999
Revaluation differences on portfolios hedged against interest rate risk		2,767	3,360
Held-to-maturity financial assets		4,136	4,368
Tax assets*		7,084	7,415
Other assets	Note 8	71,680	65,238
Non-current assets held for sale		725	866
Investments accounted for using the equity method		2,857	2,796
Tangible and intangible fixed assets		18,864	17,917
Goodwill	Note 9	4,358	4,331
Total		1,359,510	1,308,138

* Amount restated relative to the financial statements published as at 31 December 2014 according to the retrospective application of IFRIC 21. The amount of *Tax assets* is EUR 7,415 million against EUR 7,447 million as at 31 December 2014.

Consolidated balance sheet (continued)

LIABILITIES

<i>(In millions of euros)</i>		30 June 2015	31 December 2014
Due to central banks		7,686	4,607
Financial liabilities at fair value through profit or loss	Note 4	473,009	480,330
Hedging derivatives		9,713	10,902
Due to banks	Note 10	102,466	91,290
Customer deposits	Note 11	377,246	349,735
Debt securities issued	Note 12	108,976	108,658
Revaluation differences on portfolios hedged against interest rate risk		7,257	10,166
Tax liabilities		1,288	1,416
Other liabilities*	Note 8	89,700	75,031
Non-current liabilities held for sale		522	505
Underwriting reserves of insurance companies	Note 13	105,948	103,298
Provisions	Note 13	4,556	4,492
Subordinated debt		11,540	8,834
Total liabilities		1,299,907	1,249,264
SHAREHOLDERS' EQUITY			
Shareholders' equity, Group share			
Issued common stocks, equity instruments and capital reserves		28,363	29,486
Retained earnings*		24,414	22,537
Net income*		2,219	2,679
Sub-total		54,996	54,702
Unrealised or deferred capital gains and losses		1,150	527
Sub-total equity, Group share		56,146	55,229
Non-controlling interests		3,457	3,645
Total equity		59,603	58,874
Total		1,359,510	1,308,138

* Amounts restated relative to the financial statements published at 31 December 2014 according to the retrospective application of IFRIC 21:

- The amount of *Other liabilities* is EUR 75,031 million against EUR 75,124 million as at 31 December 2014;
- The amount of *Retained earnings* is EUR 22,537 million against EUR 22,463 million as at 31 December 2014;
- The amount of *Net income* is EUR 2,679 million against EUR 2,692 million as at 31 December 2014.

Consolidated income statement

<i>(In millions of euros)</i>		1st half of 2015	2014*	1st half of 2014*
Interest and similar income	Note 14	12,523	24,532	12,029
Interest and similar expense	Note 14	(7,979)	(14,533)	(7,058)
Dividend income		557	432	109
Fee income	Note 15	4,982	9,159	4,389
Fee expense	Note 15	(1,541)	(2,684)	(1,188)
Net gains and losses on financial transactions		4,049	4,787	2,180
<i>o/w net gains and losses on financial instruments at fair value through profit or loss</i>	Note 16	3,915	4,481	2,087
<i>o/w net gains and losses on available-for-sale financial assets</i>	Note 17	134	306	93
Income from other activities		28,452	50,219	26,719
Expenses from other activities*		(27,821)	(48,351)	(25,624)
Net banking income*		13,222	23,561	11,556
Personnel expenses	Note 18	(4,819)	(9,049)	(4,498)
Other operating expenses*		(3,296)	(6,081)	(2,969)
Amortisation, depreciation and impairment of tangible and intangible fixed assets		(451)	(907)	(438)
Gross operating income*		4,656	7,524	3,651
Cost of risk	Note 19	(1,337)	(2,967)	(1,419)
Operating income*		3,319	4,557	2,232
Net income from investments accounted for using the equity method		110	213	102
Net income/expense from other assets		(41)	109	200
Impairment losses on goodwill		-	(525)	(525)
Earnings before tax*		3,388	4,354	2,009
Income tax*	Note 20	(967)	(1,376)	(605)
Consolidated net income*		2,421	2,978	1,404
Non-controlling interests*		202	299	156
Net income, Group share*		2,219	2,679	1,248
Earnings per ordinary share	Note 21	2.54	2.90	1.37
Diluted earnings per ordinary share	Note 21	2.54	2.90	1.37

* Amounts restated relative to the financial statements published as at 31 December 2014 according to the retrospective application of IFRIC 21:

- The amount of *Expenses from other activities* is EUR 25,624 million against EUR 25,611 million on the 1st half of 2014;
- The amount of *Other operating expenses* is EUR 6,081 million against EUR 6,060 million in 2014 and EUR 2,969 million against EUR 2,836 million on the 1st half of 2014;
- The amount of *Income tax* is EUR 1,376 million against EUR 1,384 million in 2014 and EUR 605 million against EUR 651 million on the 1st half of 2014;
- The amount of *Non-controlling interests* is EUR 156 million against EUR 159 million on the 1st half of 2014.

The impact on the *Earnings before tax* is EUR (21) million in 2014 and EUR (146) million on the 1st half of 2014.

The impact on the *Net income, Group share* is EUR (13) million in 2014 and EUR (97) million on the 1st half of 2014.

(1) including EUR (141) million on the 1st half of 2015 regarding the contributions to the Single Resolution Fund for 2015.

Statement of net income and unrealised or deferred gains and losses

<i>(In millions of euros)</i>	1st half of 2015	2014*	1st half of 2014*
Net income*	2,421	2,978	1404
Unrealised or deferred gains and losses that will be reclassified subsequently into income	588	1,058	491
Translation differences ⁽¹⁾	782	402	73
Available-for-sale financial assets	(54)	636	480
<i>Revaluation differences</i>	636	1,074	704
<i>Reclassified into income</i>	(690)	(438)	(224)
Hedge derivatives	(218)	164	21
<i>Revaluation differences</i>	(215)	39	21
<i>Reclassified into income</i>	(3)	125	-
Unrealised gains and losses accounted for using the equity method and that will be reclassified subsequently into income	23	135	120
Tax on items that will be reclassified subsequently into income	55	(279)	(203)
Unrealised or deferred gains and losses that will not be reclassified subsequently into income	148	(235)	(101)
Actuarial gains and losses on post-employment defined benefits plans	221	(344)	(150)
Unrealised gains and losses accounted for using the equity method and that will not be reclassified subsequently into income	-	(2)	-
Tax on items that will not be reclassified subsequently into income	(73)	111	49
Total unrealised or deferred gains and losses	736	823	390
Net income and unrealised or deferred gains and losses*	3,157	3,801	1,794
<i>o/w Group share*</i>	<i>2,990</i>	<i>3,450</i>	<i>1,571</i>
<i>o/w non-controlling interests*</i>	<i>167</i>	<i>351</i>	<i>223</i>

* Amounts restated relative to the financial statements published as at 31 December 2014 according to the retrospective application of IFRIC 21.

(1) The variation in translation differences amounted to EUR 782 million and consisted of a:
+ EUR 757 million variation in Group translation differences, mainly due to the depreciation of the Euro against the US dollar (EUR 469 million), the Russian rouble (EUR 110 million) and against the pound sterling (EUR 108 million);
+ EUR 25 million variation in translation differences attributable to non-controlling interests, mainly due to the depreciation of the Euro against the Czech crown (EUR 19 million) and the Moroccan dirham (EUR 6 million).

Changes in shareholders' equity

Capital and associated reserves

<i>(In millions of euros)</i>	Issued common stocks	Issuing premium and capital reserves	Elimination of treasury stock	Other equity instruments	Total	Retained earnings	Net income, Group Share
Shareholders' equity as at 1st January 2014	998	19,947	(639)	7,075	27,381	23,971	-
Increase in common stock	2	-	-	-	2	(2)	-
Elimination of treasury stock	-	-	(226)	-	(226)	(80)	-
Issuance / Redemption of equity instruments	-	-	-	2,102	2,102	93	-
Equity component of share-based payment plans	-	(12)	-	-	(12)	-	-
1st half of 2014 Dividends paid	-	-	-	-	-	(1,023)	-
Effect of acquisitions and disposals on non-controlling interests	-	-	-	-	-	(125)	-
Sub-total of changes linked to relations with shareholders	2	(12)	(226)	2,102	1,866	(1,137)	-
Unrealised or deferred gains and losses	-	-	-	-	-	(101)	-
Other changes	-	-	-	-	-	27	-
Effect of retrospective application of IFRIC 21 ⁽¹⁾	-	-	-	-	-	74	(97)
1st half of 2014 Net income for the period	-	-	-	-	-	-	1,345
Sub-total	-	-	-	-	-	-	1,248
Change in equity of associates and joint ventures accounted for by the equity method	-	-	-	-	-	-	-
Shareholders' equity as at 30 June 2014	1,000	19,935	(865)	9,177	29,247	22,834	1,248
Increase in common stock	7	179	-	-	186	-	-
Elimination of treasury stock	-	-	134	-	134	25	-
Issuance / Redemption of equity instruments	-	-	-	(108)	(108)	112	-
Equity component of share-based payment plans	-	27	-	-	27	-	-
2nd half of 2014 Dividends paid	-	-	-	-	-	(332)	-
Effect of acquisitions and disposals on non-controlling interests	-	-	-	-	-	31	-
Sub-total of changes linked to relations with shareholders	7	206	134	(108)	239	(164)	-
Unrealised or deferred gains and losses	-	-	-	-	-	(129)	-
Other changes	-	-	-	-	-	(3)	-
Effect of retrospective application of IFRIC 21 ⁽¹⁾	-	-	-	-	-	-	84
2nd half of 2014 Net income for the period	-	-	-	-	-	-	1,347
Sub-total	-	-	-	-	-	(132)	1,431
Change in equity of associates and joint ventures accounted for by the equity method	-	-	-	-	-	(1)	-
Shareholders' equity as at 31 December 2014	1,007	20,141	(731)	9,069	29,486	22,537	2,679
Appropriation of net income ⁽¹⁾	-	-	-	-	-	2,679	(2,679)
Shareholders' equity as at 1st January 2015	1,007	20,141	(731)	9,069	29,486	25,216	-
Increase in common stock ⁽²⁾	1	-	-	-	1	(1)	-
Elimination of treasury stock ⁽³⁾	-	-	246	-	246	329	-
Issuance / Redemption of equity instruments ⁽⁴⁾	-	-	-	(1,408)	(1,408)	118	-
Equity component of share-based payment plans ⁽⁵⁾	-	38	-	-	38	-	-
1st half of 2015 Dividends paid ⁽⁶⁾	-	-	-	-	-	(1,301)	-
Effect of acquisitions and disposals on non-controlling interests ⁽⁷⁾⁽⁸⁾	-	-	-	-	-	(85)	-
Sub-total of changes linked to relations with shareholders	1	38	246	(1,408)	(1,123)	(940)	-
Unrealised or deferred gains and losses	-	-	-	-	-	148	-
Other changes	-	-	-	-	-	(10)	-
1st half of 2015 Net income for the period	-	-	-	-	-	-	2,219
Sub-total	-	-	-	-	-	138	2,219
Change in equity of associates and joint ventures accounted for by the equity method	-	-	-	-	-	-	-
Shareholders' equity as at 30 June 2015	1,008	20,179	(485)	7,661	28,363	24,414	2,219

Changes in shareholders' equity (continued)

Unrealised or deferred gains and losses (net of tax) that will be reclassified subsequently into income				Non-controlling interests					Total consolidated shareholders' equity
Translation reserves	Change in fair value of assets available-for-sale	Change in fair value of hedging derivatives	Total	Shareholders' equity, Group share	Capital and Reserves	Other equity instruments issued by subsidiaries	Unrealised or deferred gains and losses	Total	
(1,139)	609	55	(475)	50,877	3,082	-	11	3,093	53,970
-	-	-	-	-	-	-	-	-	-
-	-	-	-	(306)	-	-	-	-	(306)
-	-	-	-	2,195	-	-	-	-	2,195
-	-	-	-	(12)	-	-	-	-	(12)
-	-	-	-	(1,023)	(177)	-	-	(177)	(1,200)
-	-	-	-	(125)	(332)	-	-	(332)	(457)
-	-	-	-	729	(509)	-	-	(509)	220
33	275	17	325	224	-	-	67	67	291
-	-	-	-	27	(116)	-	-	(116)	(89)
-	-	-	-	(23)	(3)	-	-	(3)	(26)
-	-	-	-	1,345	159	-	-	159	1,504
33	275	17	325	1,573	40	-	67	107	1,680
-	75	24	99	99	-	-	-	-	99
(1,106)	959	96	(51)	53,278	2,613	-	78	2,691	55,969
-	-	-	-	186	-	-	-	-	186
-	-	-	-	159	-	-	-	-	159
-	-	-	-	4	-	800	-	800	804
-	-	-	-	27	-	-	-	-	27
-	-	-	-	(332)	(5)	-	-	(5)	(337)
-	-	-	-	31	(25)	-	-	(25)	6
-	-	-	-	75	(30)	800	-	770	845
349	60	161	570	441	(4)	-	(11)	(15)	426
-	-	-	-	(3)	56	-	-	56	53
-	-	-	-	84	3	-	-	3	87
-	-	-	-	1,347	140	-	-	140	1,487
349	60	161	570	1,869	195	-	(11)	184	2,053
-	8	-	8	7	-	-	-	-	7
(757)	1,027	257	527	55,229	2,778	800	67	3,645	58,874
-	-	-	-	-	-	-	-	-	-
(757)	1,027	257	527	55,229	2,778	800	67	3,645	58,874
-	-	-	-	-	-	-	-	-	-
-	-	-	-	575	-	-	-	-	575
-	-	-	-	(1,290)	-	-	-	-	(1,290)
-	-	-	-	38	-	-	-	-	38
-	-	-	-	(1,301)	(231)	-	-	(231)	(1,532)
-	-	-	-	(85)	(128)	-	-	(128)	(213)
-	-	-	-	(2,063)	(359)	-	-	(359)	(2,422)
757	68	(217)	608	756	-	-	(35)	(35)	721
-	-	-	-	(10)	4	-	-	4	(6)
-	-	-	-	2,219	202	-	-	202	2,421
757	68	(217)	608	2,965	206	-	(35)	171	3,136
-	15	-	15	15	-	-	-	-	15
-	1,110	40	1,150	56,146	2,625	800	32	3,457	59,603

Changes in shareholders' equity (continued)

(1) Amounts restated relative to the financial statements published in 2014 according to the retrospective application of IFRIC 21.

(2) As at 30 June 2015, Societe Generale S.A.'s capital amounted to EUR 1,007,625,078 and was made up of 806,100,062 shares with a nominal value of EUR 1.25.

During the first half of 2015 and in accordance with the free and conditional share allocation plan, Societe Generale S.A. carried out a capital increase of EUR 1 million through incorporation of reserves.

<i>(Number of shares)</i>	30 June 2015	31 December 2014
Ordinary shares	806,100,062	805,207,646
Including treasury stock with voting rights*	9,566,799	20,041,922
Including shares held by employees	60,509,555	61,740,620

* Excluding Societe Generale shares held for trading or in respect of the liquidity contract.

(3) As at 30 June 2015, the Group held 13,520,359 of its own shares as treasury stock, for trading purposes or for the active management of shareholders' equity, representing 1.68% of the capital of Societe Generale S.A.

The amount deducted by the Group from its net book value for equity instruments (shares and derivatives) came to EUR 485 million, including EUR 160 million in shares held for trading purposes.

At 30 June 2015, no share Societe generale is held under the liquidity contract wich contained EUR 50 million for the purpose of carrying out transactions in Societe Generale shares.

THE CHANGE IN TREASURY STOCK OVER 2015 BREAKS DOWN AS FOLLOWS :

<i>(In millions of euros)</i>	Liquidity contract	Transaction-related activities	Treasury stock and active management of Shareholders' equity	Total
Disposals net of purchases	14	60	172	246
Capital gains net of tax on treasury stock and treasury share derivatives, booked under shareholders' equity	1	(12)	340	329

(4) Changes in Other equity instruments in the first half 2015 were as follows:

- Redemption at par of perpetual deeply subordinated note issued in euros on 25 January 2005 for EUR 728 million;
- Redemption at par of perpetual deeply subordinated note issued in US dollars on 7 Octobre 2009 for USD 1 000 million, EUR 680 million.

(5) Share-based payments settled in equity instruments in the first half of 2015 amounted to EUR 38 million, related mainly to free share plans.

(6) Dividends paid in the first half of 2015 are detailed in the following table:

<i>(In million of euros)</i>	Group Share	Non-controlling interests	Total
Ordinary shares	(944)	(225)	(1,169)
<i>O/w paid in shares</i>			-
<i>O/w paid in cash</i>	(944)	(225)	(1,169)
Other equity instruments	(357)	(6)	(363)
Total	(1,301)	(231)	(1,532)

(7) The EUR (85) million impact on the shareholder's equity, Group share, is mainly related to the acquisition of non-controlling interests.

(8) The EUR (128) million impact of purchases and disposals on non-controlling interests can notably be attributed to the purchase of non controlling interests in Boursorama for (130) M EUR.

Cash flow statement

<i>(In millions of euros)</i>	1st half of 2015	2014*	1st half of 2014*
Net income (I)*	2,421	2,978	1,404
Amortisation expense on tangible fixed assets and intangible assets (include operating lease)	1,776	3,421	1,685
Depreciation and net allocation to provisions	3,705	6,247	4,421
Net income/loss from investments accounted for using the equity method	(110)	(213)	(102)
Change in deferred taxes*	114	184	(65)
Net income from the sale of long-term available-for-sale assets and subsidiaries	(56)	(317)	(301)
Change in deferred income	203	(147)	(132)
Change in prepaid expenses	(91)	(20)	(98)
Change in accrued income	(259)	903	(103)
Change in accrued expenses*	(37)	(794)	(647)
Other changes	1,295	3,825	560
Non-monetary items included in net income and others adjustments not including income on financial instruments at fair value through Profit or Loss (II)*	6,540	13,089	5,218
Income on financial instruments at fair value through Profit or Loss ⁽¹⁾	(3,915)	(4,481)	(2,087)
Interbank transactions	13,126	7,856	(8,777)
Customers transactions	(791)	(5,805)	(3,369)
Transactions related to other financial assets and liabilities	6,011	(25,982)	(8,406)
Transactions related to other non financial assets and liabilities*	625	(1,240)	126
Net increase/decrease in cash related to operating assets and liabilities (III)*	15,056	(29,652)	(22,513)
NET CASH INFLOW (OUTFLOW) RELATED TO OPERATING ACTIVITIES (A) = (I) + (II) + (III)	24,017	(13,585)	(15,890)
Net cash inflow (outflow) related to acquisition and disposal of financial assets and long-term investments	143	4,133	3,787
Net cash inflow (outflow) related to tangible and intangible fixed assets	(2,628)	(3,407)	(2,289)
NET CASH INFLOW (OUTFLOW) RELATED TO INVESTMENT ACTIVITIES (B)	(2,485)	726	1,498
Cash flow from/to shareholders	(2,247)	1,501	933
Other net cash flows arising from financing activities	2,970	1,175	311
NET CASH INFLOW (OUTFLOW) RELATED TO FINANCING ACTIVITIES (C)	723	2,676	1,244
NET INFLOW (OUTFLOW) IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)	22,255	(10,183)	(13,148)
Net balance of cash accounts and accounts with central banks	52,458	63,032	63,032
Net balance of accounts, demand deposits and loans with banks	8,858	8,467	8,467
CASH AND CASH EQUIVALENTS AT THE START OF THE YEAR	61,316	71,499	71,499
Net balance of cash accounts and accounts with central banks	64,166	52,458	50,162
Net balance of accounts, demand deposits and loans with banks	19,405	8,858	8,189
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	83,571	61,316	58,351
NET INFLOW (OUTFLOW) IN CASH AND CASH EQUIVALENTS	22,255	(10,183)	(13,148)

* Amounts restated relative to the financial statements published as at 31 December 2014 according to the retrospective application of IFRIC 21.

(1) Income on financial instruments at fair value through Profit or Loss includes realised and unrealised income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1

SIGNIFICANT ACCOUNTING PRINCIPLES

The condensed interim consolidated financial statements for the Societe Generale Group (“the Group”) for the six-month period ending 30 June 2015 were prepared and are presented in accordance with IAS (International Accounting Standards) 34 “Interim Financial Reporting”. The accompanying notes therefore relate to events and transactions that are significant to an understanding of the changes in financial position and performance of the Group during the period. These notes should be read in conjunction with the audited consolidated financial statements for the year ending 31 December 2014 included in the Registration document for the year 2014.

As the Group’s activities are neither seasonal nor cyclical in nature, its first half results were not affected by any seasonal or cyclical factors.

The consolidated financial statements are presented in euros.

USE OF ESTIMATES

When applying the accounting principles disclosed below for the purpose of preparing the Group’s consolidated financial statements, the Management makes assumptions and estimates that may have an impact on figures recorded in the income statement, on the valuation of assets and liabilities in the balance sheet, and on information disclosed in the notes to the consolidated financial statements

In order to make these assumptions and estimates, the Management uses information available at the date of preparation of the consolidated financial statements and can exercise its judgment. By nature, valuations based on estimates include risks and uncertainties relating to their occurrence in the future. Consequently, actual future results may differ from these estimates and may then have a significant impact on the financial statements.

These estimates are principally used for determining fair value of financial instruments and assessing the impairment of assets, provisions (in particular, provisions for disputes in complex legal environment), deferred tax assets recognised in the balance sheet and goodwill determined for each business combination.

ACCOUNTING PRINCIPLES AND METHODS

In preparing the condensed interim consolidated financial statements, the Group applied the same accounting principles and methods as for its 2014 year-end consolidated financial statements, which were drawn up in compliance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and described in Note 1 to the 2014 consolidated financial statements, “Significant accounting principles”, updated by the following accounting standards or interpretations applied by the Group since 1 January 2015.

IFRS and IFRIC interpretations applied by the Group as of 1 January 2015

Accounting standards or Interpretations	Publication dates by IASB	Adoption dates by the European Union
IFRIC 21 "Levies"	20 May 2013	13 June 2014
Improvements to IFRSs (2011-2013) - December 2013	12 December 2013	18 December 2014

■ IFRIC Interpretation 21 "Levies"

This interpretation of IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" clarifies the accounting for a liability to pay a levy. For an entity the obligating event that gives rise to a liability to pay a levy is the activity that triggers the payment of the levy, as identified by the legislation. The liability to pay a levy is recognised progressively if the obligating event occurs over a period of time. Furthermore, if an obligation to pay a levy is triggered when a minimum threshold is reached the corresponding liability is recognised when that minimum activity threshold is reached.

Main related taxes that led to restate the financial statements for the first time application of this interpretation are as follows:

- Bank levy related to systemic risk and contributions for controlling costs due to ACPR (French Prudential Supervisory and Resolution Authority) are no more recognised progressively but fully in the income statement as at 1 January of the current year,
- Company Social solidarity contribution (C3S) based on income generated during the previous financial year is fully recognised in the income statement as at 1 January of the current year.

The retrospective application of this interpretation has been estimated to an increase of EUR 74 million recorded in *Retained earnings*, and to a decrease of EUR 13 million of the *Net income, Group share* compared to the financial statements published as at 31 December 2014. As at 30 June 2014, the restated *Net income, Group share* has decreased of EUR 97 million.

■ Improvements to IFRSs (2011-2013)

As part of the annual Improvements to International Financial Reporting Standards, the IASB has published amendments to some accounting standards. These amendments had no impact on the consolidated financial statements of the Group.

Accounting standards and interpretations to be applied by the Group in the future

Not all of the accounting standards published by the IASB had been adopted by the European Union as at 30 June 2015. These accounting standards and interpretations are required to be applied from annual periods beginning on 1 January 2016 at the earliest or on the date of their adoption by the European Union. They were therefore not applied by the Group as of 30 June 2015.

ACCOUNTING STANDARDS, AMENDMENTS OR INTERPRETATIONS ADOPTED BY THE EUROPEAN UNION

Accounting standards or Interpretations	Adoption dates by the European Union	Effective dates : annual periods beginning on or after
Amendments to IAS 19 "Defined Benefit Plans : Employee Contributions"	17 December 2014	1 February 2015
Improvements to IFRSs (2010-2012)	17 December 2014	1 February 2015

■ Amendments to IAS 19 “Defined Benefit Plans: Employee Contributions”

These amendments apply to contributions from employees to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent from the number of years of employee service.

■ Improvements to IFRSs (2010-2012)

As part of the annual Improvements to International Financial Reporting Standards, the IASB has published amendments to some accounting standards.

AMENDMENTS OR INTERPRETATIONS NOT YET ADOPTED BY THE EUROPEAN UNION AS AT 30 JUNE 2015

Accounting standards or Interpretations	Publication dates by IASB	Effective dates : annual periods beginning on or after
IFRS 9 “Financial Instruments”	12 November 2009, 28 October 2010, 16 December 2011, 19 November 2013 and 24 July 2014	1 January 2018
Amendments to IFRS 11: “Accounting for Acquisitions of Interests in Joint Operations”	06 May 2014	1 January 2016
Amendments to IAS 16 and IAS 38 “Clarification of Acceptable Methods of Depreciation and Amortisation”	12 May 2014	1 January 2016
IFRS 15 “Revenue from Contracts with Customers”	28 May 2014	1 January 2018
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint venture”	11 September 2014	1 January 2016
Annual Improvements to IFRSs (2012-2014)	25 September 2014	1 January 2016
Amendments to IFRS 10, IFRS 12 and IAS 28 “ Investment entities: Applying the Consolidation Exception ”	18 December 2014	1 January 2016
Amendments to IAS 1 “ Disclosure Initiative”	18 December 2014	1 January 2016

■ IFRS 9 “Financial Instruments”

This standard aims to replace IAS 39. IFRS 9 determines new requirements for classifying and measuring financial assets and financial liabilities, the new credit risk impairment methodology for financial assets and hedge accounting treatment, except accounting for macro hedging for which the IASB currently has a separate project.

Classification and measurement

Financial assets are required to be classified into three categories according to measurement methods to be applied (amortised cost, fair value through profit or loss and fair value through other comprehensive income). Classification will depend on the contractual cash flow characteristics of the instruments and the entity’s business model for managing its financial instruments.

By default, financial assets will be classified as subsequently measured at fair value through profit or loss.

Debt instruments (loans, receivables and bonds) will be measured at amortised cost only if the objective of the entity (business model) is to collect the contractual cash flows and if these cash flows consist solely of payments of principal and interest. Debt instruments will be measured at fair value through other comprehensive income (with cumulative gain or loss reclassified in profit or loss when the instruments are derecognised) if the objective of the entity (business model) is to collect the contractual cash-flows or to sell the instruments and if these contractual cash-flows consist solely of payments of principal and interest.

Equity instruments will be measured at fair value through profit or loss except in case of irrevocable election made at initial recognition for measurement at fair value through other comprehensive income (provided these financial assets are not held for trading purposes and not classified as such into financial assets measured at fair value through profit or loss) without subsequent reclassification into income.

Embedded derivatives will no longer be recognised separately when their host contracts are financial assets and the hybrid instrument in its entirety will then be measured at fair value through profit or loss.

Requirements for the classification and measurement of financial liabilities contained in IAS 39 have been incorporated into IFRS 9 without any modification, except for financial liabilities designated at fair value through profit or loss (using the fair value option). For these financial liabilities, the amount of change in their fair value attributable to changes in credit risk will be recognised in other comprehensive income without subsequent reclassification into income.

Derecognition rules for financial assets and financial liabilities have been carried forward unchanged from IAS 39 to IFRS 9.

Credit risk

All debt instruments classified as financial assets measured at amortised cost or at fair value through other comprehensive income, as well as lease receivables, loan commitments and financial guarantee contracts, will be systematically subject to an impairment or a provision for expected credit losses since the initial recognition of the financial asset or commitment.

At initial recognition, this expected credit loss will be equal to 12-month expected credit losses. This expected credit loss will subsequently be raised to lifetime expected credit losses if the credit risk on the financial instrument increases significantly since its initial recognition.

Hedge accounting

This new standard will align hedge accounting more closely with risk management activities undertaken by companies when hedging their financial and non-financial risk exposures.

The standard extends the scope of non-derivative financial instruments that could be considered as hedging instruments. Similarly, the scope of items that could be considered as hedged items is increased to include components of non-financial items. The standard also amends the approach for assessing hedge effectiveness. Additional disclosures are also required to explain both the effect that hedge accounting has had on the financial statements and the entity's risk management strategy.

■ **Amendments to IFRS 11 “Accounting for Acquisitions of Interests in Joint Operations”**

The amendments clarify the accounting for acquisitions of an interest in a joint operation when the operation constitutes a business as defined in IFRS 3 “Business combinations”. It requires to apply all the principles of IFRS 3 to the acquisition of an interest.

■ **Amendments to IAS 16 and IAS 38 “Clarification of Acceptable Methods of Depreciation and Amortisation”**

IASB clarifies that using a revenue-based method to calculate the depreciation of an asset is not appropriate with few exceptions. Indeed revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset.

■ **IFRS 15 “Revenue from Contracts with Customers”**

This standard sets out the requirements for recognising revenue that apply to all contracts with customers. To recognise revenue, the following five steps would be applied: identification of the contract with the customer, identification of the performance obligations in the contract, determination of the transaction price, allocation of the transaction price to each performance obligation and revenue recognition when a performance obligation is satisfied.

■ **Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint venture”**

These amendments clarify the gain or loss (full or partial) recognised in the consolidated statements in dealing with sale or contribution of assets between the Group and its associates or joint ventures.

■ **Annual Improvements to IFRSs (2012-2014)**

As part of the annual Improvements to International Financial Reporting Standards, the IASB has published amendments to some accounting standards.

■ **Amendments to IFRS 10, IFRS 12 and IAS 28 “Investment entities: Applying the Consolidation Exception”**

These amendments confirm that the exemption from preparing consolidated financial statements for an intermediate parent entity is available to a parent entity that is a subsidiary of an investment entity, even if the investment entity measures all of its subsidiaries at fair value.

■ **Amendments to IAS 1 “Disclosure Initiative”**

These amendments are designed to further encourage companies to apply professional judgment in determining what information to disclose in their financial statements. IASB clarifies that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures.

Note 2

CHANGES IN CONSOLIDATION SCOPE DURING THE 1st HALF OF 2015

As at 30 June 2015, the Group's consolidation scope included 679 companies:

- **594** fully consolidated companies;
- **2** companies consolidated for the assets, liabilities, revenues and expenses relating to the Group's interest in those entities;
- **83** companies accounted for using the equity method, including **59** joint ventures and **24** entities under significant influence.

The consolidation scope includes subsidiaries (entities under Group's exclusive control), joint arrangements (joint ventures over which the Group exercises joint control) and associates (entities over which the Group exercises significant influence) that are significant compared to the Group's consolidated financial statements, notably regarding Group consolidated total assets and gross operating income.

The main changes to the consolidation scope at 30 June 2015, compared with the scope applicable at the closing date of 31 December 2014, are as follows:

- The Group's equity interest in Boursorama increased from 79.51% to 100% due to the purchase of the whole Caixa Group's interest.
- In accordance with the law of separation and regulation of banking activities of 26 July 2013, that introduces, a principle of separation of speculative activities of banks and their necessary activities in financing the economy, activities for Societe Generale's own account have been transferred to Descartes Trading. Owned at 100%, the entity is fully consolidated.
- Acquisition by Boursorama of Fiduceo, an information technology development and software solutions company. Owned at 100%, the entity is fully consolidated.
- Entry into the consolidation scope of Easy KM OY, a fleet management company, acquired by ALD Axus Finland. Owned at 100%, the entity is fully consolidated.

UPCOMING EVENTS

- The Group denounced, on 25 February 2015, the memorandum of understanding signed by Credit du Nord and Aviva France related to Antarius, an insurance company dedicated to Credit du Nord retail networks, currently jointly owned by Credit du Nord and Aviva France. This denunciation results in the exercise of a call option on 50% of Antarius owned by Aviva France. At the end of the two years provided in the memorandum, that will transfer the operational management of the subsidiary to Sogecap, Antarius will be owned at 100% by the Group, jointly by Sogecap and Credit du Nord.
- Societe Generale and Crédit Agricole SA have announced, on 17 June 2015, their decision to launch the initial public offering of Amundi, their assets management joint subsidiary, which aim is the quotation by the end of the year, subject to market conditions. Societe Generale may dispose of all of its shares pursuant to the shareholders' agreement settled at the establishment of Amundi.

Note 3

FAIR VALUE OF FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE – VALUATION AND SENSITIVITY OF MAIN UNOBSERVABLE INPUTS

1. ESTIMATES OF MAIN UNOBSERVABLE INPUTS (LEVEL 3)

The following table provides the valuation of L3 instruments on the balance sheet and the range of values of the most significant unobservable inputs by main product type.

Cash instruments and derivatives ⁽¹⁾	Value in balance sheet (in millions of euros)		Main products	Valuation techniques used	Significant unobservable inputs	Range of inputs min & max
	Assets	Liabilities				
Equities / funds	2,792	22,322	Simple and complex instruments or derivatives on funds, equities or baskets of stocks	Various option models on funds, equities or baskets of stocks	Equity volatilities	13.3 % ; 51.3 %
					Equity dividends	0.4% ; 4.8 %
					Correlations	-100% ; 100%
					Hedge funds volatilities	7.5 % ; 17.0 %
					Mutual funds volatilities	1.8 % ; 42.1 %
Rates and Forex	3,937	7,008	Hybrid forex / interest rate or credit / interest rate derivatives	Hybrid forex interest rate or credit interest rate option pricing models	Correlations	-70.4% ; 90%
			Forex derivatives	Forex option pricing models	Forex volatilities	1% ; 30%
			Interest rate derivatives whose notional is indexed to prepayment behaviour in European collateral pools	Prepayment modeling	Constant prepayment rates	0% ; 45%
			Inflation instruments and derivatives	Inflation pricing models	Inflation / inflation correlations	65.1% ; 90%
Credit	378	1,742	Collateralized Debt Obligations and index tranches	Recovery and base correlation projection models	Time to default correlations	0% ; 100%
					Recovery rate variance for single name underlyings	0% ; 100%
			Other credit derivatives (N to default, etc)	Credit default models	Time to default correlations	0% ; 100%
					Quanto correlations	-40 % ; 40%
					Credit spreads	0 bps ; 1 000 bps
Commodity	385	868	Derivatives on commodities baskets	Option models on commodities	Commodities correlations	17% ; 98.8%

(1) Hybrid instruments are broken down by main unobservable inputs.

2. SENSITIVITY OF FAIR VALUE FOR LEVEL 3 INSTRUMENTS

Unobservable inputs are assessed carefully, particularly in this persistently uncertain economic environment and markets. However, by their very nature, unobservable inputs inject a degree of uncertainty in their valuation.

To quantify this, fair value sensitivity was estimated as at 30 June 2015 on instruments whose valuation requires some unobservable inputs. This estimate was based either on a “standardised⁽²⁾” variation of the unobservable inputs, calculated for each input on a net position, or on assumptions in line with the additional valuation adjustment policies for the financial instruments in question.

Sensitivity of Level 3 fair value to a reasonable variation in unobservable inputs

<i>(in millions of euros)</i>	30 June 2015	
	Negative impact	Positive impact
Stocks and other equity instruments and derivatives	-21	115
Stock volatilities	0	29
Dividends	-2	5
Correlations	-19	69
Hedge Fund volatility	0	8
Mutual Fund volatility	0	4
Rates and Forex instruments and derivatives	-9	74
Correlations between exchange rates and/or interest rates	-3	62
Forex volatilities	-2	4
Constant prepayment rates	0	0
Inflation / inflation correlations	-4	8
Credit instrument and derivatives	-5	11
Time to default correlations	-3	3
Recovery rate variance for single name underlyings	-1	1
Quanto correlations	0	6
Credit spreads	-1	1
Commodity derivatives	0	3
Commodities correlations	0	3

It should be noted that, given the already conservative valuation levels, this sensitivity is higher in the case of a favourable impact on results than in the case of an unfavourable impact. Moreover, the amounts shown above illustrate the uncertainty of the valuation as of the computation date, on the basis of a reasonable variation in inputs: future variations in fair value or consequences of extreme market conditions cannot be deduced or forecasted from these estimates.

(2) Meaning :

- either the standard deviation of consensus prices (TOTEM, etc) used to measure the input, which are nevertheless considered unobservable;
- or the standard deviation of historical data used to measure the input.

Note 4

FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2015				31 December 2014			
	Valuation on the basis of quoted prices in active markets (L1)	Valuation using observable inputs other than quoted prices included in L1 (L2)	Valuation using mainly inputs that are not based on observable market data (L3)	Total	Valuation on the basis of quoted prices in active markets (L1)	Valuation using observable inputs other than quoted prices included in L1 (L2)	Valuation using mainly inputs that are not based on observable market data (L3)	Total
<i>(In millions of euros)</i>								
Trading portfolio								
Bonds and other debt securities	52,634	8,545	336	61,515	59,216	7,661	857	67,734
Shares and other equity securities ⁽¹⁾	82,239	6,182	-	88,421	84,971	5,193	-	90,164
Other financial assets	15	133,767	352	134,134	18	120,861	343	121,222
Sub-total trading portfolio	134,888	148,494	688	284,070	144,205	133,715	1,200	279,120
<i>o/w securities on loan</i>				16,209				11,001
Financial assets measured using fair value option through P&L								
Bonds and other debt securities	10,477	472	62	11,011	9,890	126	66	10,082
Shares and other equity securities ⁽¹⁾	16,899	838	186	17,923	15,135	731	205	16,071
Other financial assets	-	14,083	1,847	15,930	-	14,659	550	15,209
Separate assets for employee benefit plans	-	286	-	286	-	275	-	275
Sub-total of financial assets measured using fair value option through P&L	27,376	15,679	2,095	45,150	25,025	15,791	821	41,637
<i>o/w securities on loan</i>				-				-
Trading derivatives								
Interest rate instruments	53	128,712	2,990	131,755	27	142,083	2,401	144,511
<i>Firm instruments</i>								
Swaps				97,193				104,331
FRA				487				726
<i>Options</i>								
Options on organised markets				85				178
OTC options				28,032				32,724
Caps, floors, collars				5,958				6,552
Foreign exchange instruments	644	21,541	210	22,395	848	22,039	112	22,999
<i>Firm instruments</i>				16,841				17,589
<i>Options</i>				5,554				5,410
Equity and index instruments	-	24,017	476	24,493	292	22,734	477	23,503
<i>Firm instruments</i>				2,337				1,628
<i>Options</i>				22,156				21,875
Commodity instruments	-	11,809	385	12,194	-	8,526	370	8,896
<i>Firm instruments-Futures</i>				10,561				6,613
<i>Options</i>				1,633				2,283
Credit derivatives	-	7,302	154	7,456	-	9,446	116	9,563
Other forward financial instruments	2	382	67	451	8	222	78	308
<i>On organised markets</i>				289				163
<i>OTC</i>				162				145
Sub-total trading derivatives	699	193,763	4,282	198,744	1,175	205,050	3,554	209,779
Total financial instruments at fair value through P&L⁽²⁾	162,963	357,936	7,065	527,964	170,405	354,556	5,575	530,536

(1) Including UCITS.

(2) O/w EUR 132,872 million in securities purchased under resale agreements at 30 June 2015 versus EUR 118,870 million as at 31 December 2014.

Note 4 (continued)

FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2015				31 December 2014			
	Valuation on the basis of quoted prices in active markets (L1)	Valuation using observable inputs other than quoted prices included in L1 (L2)	Valuation using mainly inputs that are not based on observable market data (L3)	Total	Valuation on the basis of quoted prices in active markets (L1)	Valuation using observable inputs other than quoted prices included in L1 (L2)	Valuation using mainly inputs that are not based on observable market data (L3)	Total
<i>(In millions of euros)</i>								
Trading portfolio								
Debt securities issued	-	9,276	7,357	16,633	67	9,579	8,298	17,944
Amounts payable on borrowed securities	4,512	51,336	-	55,848	4,203	50,728	-	54,931
Bonds and other debt instruments sold short	4,425	78	3	4,506	3,133	7	3	3,143
Shares and other equity instruments sold short	1,390	-	1	1,391	1,584	-	2	1,586
Other financial liabilities	-	145,951	192	146,143	3	142,955	256	143,214
Sub-total trading portfolio⁽⁴⁾	10,327	206,641	7,553	224,521	8,990	203,269	8,559	220,818
Trading derivatives								
Interest rate instruments	65	125,231	2,494	127,790	45	142,638	2,341	145,024
<i>Firm instruments</i>								
Swaps				90,928				102,317
FRA				501				843
<i>Options</i>				-				-
Options on organised markets				106				186
OTC options				29,839				34,372
Caps, floors, collars				6,416				7,306
Foreign exchange instruments	482	22,682	20	23,184	1,103	22,709	50	23,862
<i>Firm instruments</i>				17,569				18,383
<i>Options</i>				5,615				5,479
Equity and index instruments	93	27,123	847	28,063	718	25,452	1,414	27,584
<i>Firm instruments</i>				2,367				1,816
<i>Options</i>				25,696				25,768
Commodity instruments	-	11,792	214	12,006	-	8,198	211	8,409
<i>Firm instruments-Futures</i>				10,123				5,964
<i>Options</i>				1,883				2,445
Credit derivatives	-	7,090	284	7,374	-	9,223	272	9,495
Other forward financial instruments	12	939	1	952	11	846	1	858
<i>On organised markets</i>				28				32
<i>OTC</i>				924				826
Sub-total trading derivatives	652	194,857	3,860	199,369	1,877	209,066	4,289	215,232
Financial liabilities measured using fair value option through P&L⁽⁴⁾⁽⁵⁾	155	28,437	20,527	49,119	149	26,756	17,375	44,280
Total financial instruments at fair value through P&L⁽³⁾	11,134	429,935	31,940	473,009	11,016	439,091	30,223	480,330

(3) O/w EUR 144,978 million in securities sold under repurchase agreements at 30 June 2015 versus EUR 141,545 million as at 31 December 2014.

FINANCIAL LIABILITIES MEASURED USING FAIR VALUE OPTION THROUGH PROFIT OR LOSS

	30 June 2015			31 December 2014		
	Fair value	Amount repayable at maturity	Difference between fair value and amount repayable at maturity	Fair value	Amount repayable at maturity	Difference between fair value and amount repayable at maturity
<i>(In millions of euros)</i>						
Total financial liabilities measured using fair value option through P&L⁽⁴⁾⁽⁵⁾	49,119	48,773	346	44,280	43,767	513

(4) The change in fair value attributable to the Group's own credit risk generated an expense of EUR 409 million as at 30 June 2015.

The revaluation differences attributable to the Group's issuer credit risk are determined using valuation models taking into account the Societe Generale Group's actual financing terms and conditions on the markets and the residual maturity of the related liabilities.

(5) O/w EUR 42,561 million of EMTNs as at 30 June 2015.

Note 4 (continued)

FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

VARIATION IN FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS WHOSE VALUATION IS NOT BASED ON OBSERVABLE MARKET DATA (LEVEL 3)

	Trading portfolio			Financial assets measured using fair value option through profit or loss			Trading derivatives						Total financial instruments at fair value through P&L
	Bonds and other debt securities	Shares and other equity securities	Other financial assets	Bonds and other debt securities	Shares and other equity securities	Other financial assets	Interest rate instruments	Foreign exchange instruments	Equity and index instruments	Commodity instruments	Credit derivatives	Other forward financial instruments	
<i>(In millions of euros)</i>													
Balance at 1 January 2015	857	-	343	66	205	550	2,401	112	477	370	116	78	5,575
Acquisitions	205	-	-	-	8	1,412	133	10	148	1	-	-	1,917
Disposals / redemptions	(732)	-	(22)	(4)	(27)	(60)	(719)	(7)	(64)	-	(4)	-	(1,639)
Transfer to Level 2	(12)	-	-	-	-	(16)	(22)	(8)	(6)	-	-	-	(64)
Transfer from Level 2	1	-	-	-	-	-	199	-	21	-	6	-	227
Gains and losses on changes in fair value during the period ⁽⁶⁾	10	-	4	-	(4)	(63)	906	101	(135)	(2)	32	(16)	833
Translation differences	7	-	27	-	4	24	92	2	35	16	4	5	216
Change in scope and others	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at 30 June 2015	336	-	352	62	186	1,847	2,990	210	476	385	154	67	7,065

(6) Gains and losses for the year are recognised in "Net gains and losses on financial instruments at fair value through profit or loss" in P&L.

VARIATION IN FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS WHOSE VALUATION IS NOT BASED ON OBSERVABLE MARKET DATA (LEVEL 3)

	Trading portfolio				Trading derivatives						Financial liabilities measured using fair value option through P&L	Total financial instruments at fair value through P&L	
	Debt securities issued	Amounts payable on borrowed securities	Shares and other equity instruments sold short	Other financial liabilities	Interest rate instruments	Foreign exchange instruments	Equity and index instruments	Commodity instruments	Credit derivatives	Other forward financial instruments			
<i>(In millions of euros)</i>													
Balance at 1 January 2015	8,298	-	5	256	2,341	50	1,414	211	272	1	17,375	30,223	
Issues	351	-	-	-	-	-	-	-	-	-	4,587	4,938	
Acquisitions / disposals	(453)	-	-	(11)	126	(2)	(359)	-	(5)	-	548	(156)	
Redemptions	(1,522)	-	-	-	(1)	-	-	-	-	-	(2,854)	(4,377)	
Transfer to Level 2	(477)	-	(3)	(55)	(129)	(12)	(87)	-	(1)	-	(412)	(1,176)	
Transfer from Level 2	83	-	-	-	4	-	10	1	6	-	496	600	
Gains and losses on changes in fair value during the period ⁽⁷⁾	898	-	2	(5)	118	(16)	(164)	(4)	8	-	153	990	
Translation differences	179	-	-	7	35	-	33	6	4	-	634	898	
Balance at 30 June 2015	7,357	-	4	192	2,494	20	847	214	284	1	20,527	31,940	

(7) Gains and losses for the year are recognised in "Net gains and losses on financial instruments at fair value through profit or loss" in P&L.

Note 5

AVAILABLE-FOR-SALE FINANCIAL ASSETS

	30 June 2015				31 December 2014			
	Valuation on the basis of quoted prices in active markets (L1)	Valuation using observable inputs other than quoted prices included in L1 (L2)	Valuation using mainly inputs that are not based on observable market data (L3)	Total	Valuation on the basis of quoted prices in active markets (L1)	Valuation using observable inputs other than quoted prices included in L1 (L2)	Valuation using mainly inputs that are not based on observable market data (L3)	Total
<i>(In millions of euros)</i>								
Current assets								
Bonds and other debt securities	113,754	14,813	337	128,904	113,741	14,453	327	128,521
<i>o/w provisions for impairment</i>				(255)				(268)
Shares and other equity securities ⁽¹⁾	13,411	1,360	90	14,861	11,543	1,556	82	13,181
<i>o/w related receivables</i>				1				1
<i>o/w impairment losses</i>				(372)				(1,245)
Sub-total current assets	127,165	16,173	427	143,765	125,284	16,009	409	141,702
Long-term equity investments	303	174	1,520	1,997	158	404	1,458	2,020
<i>o/w related receivables</i>				8				8
<i>o/w impairment losses</i>				(533)				(525)
Total available-for-sale financial assets	127,468	16,347	1,947	145,762	125,442	16,413	1,867	143,722
<i>o/w securities on loan</i>				4				19

(1) Including UCITS.

CHANGES IN AVAILABLE-FOR-SALE FINANCIAL ASSETS

	1st half of 2015
<i>(In millions of euros)</i>	
Balance at 1 January 2015	143,722
Acquisitions	36,816
Disposals / redemptions ⁽²⁾	(33,829)
Change in scope and others	(455)
Gains and losses on changes in fair value recognised directly in equity during the period	(3,036)
Change in impairment on fixed income securities recognised in P&L	13
<i>O/w: increase</i>	-
<i>write-backs</i>	14
<i>others</i>	(1)
Impairment losses on variable income securities recognised in P&L	(86)
Change in related receivables	(104)
Translation differences	2,721
Balance at 30 June 2015	145,762

(2) Disposals are valued according to the weighted average cost method.

VARIATION OF AVAILABLE-FOR-SALE ASSETS WHOSE VALUATION METHOD IS NOT BASED ON OBSERVABLE MARKET DATA (LEVEL 3)

	Bonds and other debt securities	Shares and other equity securities	Long-term equity investments	Total
<i>(In millions of euros)</i>				
Balance at 1 January 2015	327	82	1,458	1,867
Acquisitions	142	1	33	176
Disposals / redemptions	(57)	(2)	(18)	(77)
Transfer to Level 2	(76)	-	(2)	(78)
Gains and losses on changes in fair value recognised directly in equity during the period	-	(6)	5	(1)
Impairment losses on variable income securities recognised in P&L	-	(1)	-	(1)
Changes in related receivables	1	-	-	1
Translation differences	-	5	14	19
Change in scope and others	-	11	30	41
Balance at 30 June 2015	337	90	1,520	1,947

Note 6

DUE FROM BANKS

<i>(In millions of euros)</i>	30 June 2015	31 December 2014
Deposits and loans		
<i>Demand and overnights</i>		
Current accounts	35,036	23,625
Overnight deposits and loans and others	4,025	3,304
<i>Term</i>		
Term deposits and loans ⁽¹⁾	21,567	21,083
Subordinated and participating loans	454	482
Related receivables	132	153
Gross amount	61,214	48,647
Impairment		
Impairment of individually impaired loans	(37)	(27)
Revaluation of hedged items	127	39
Net amount	61,304	48,659
Securities purchased under resale agreements	28,471	32,050
Total	89,775	80,709
Fair value of amounts due from banks	90,330	81,742

(1) As at 30 June 2015, the amount of receivables with incurred credit risk was EUR 74 million compared to EUR 89 million as at 31 December 2014.

Note 7

CUSTOMER LOANS

<i>(In millions of euros)</i>	30 June 2015	31 December 2014
Customer loans		
Trade notes	9,530	9,616
Other customer loans ⁽¹⁾	328,810	312,448
<i>o/w short-term loans</i>	96,717	89,047
<i>o/w export loans</i>	12,115	10,815
<i>o/w equipment loans</i>	50,710	51,023
<i>o/w housing loans</i>	111,304	106,618
<i>o/w other loans</i>	57,964	54,945
Overdrafts	21,545	20,113
Related receivables	1,674	2,013
Gross amount	361,559	344,190
Impairment		
Impairment of individually impaired loans	(14,289)	(13,949)
Impairment of groups of homogenous receivables	(1,287)	(1,254)
Revaluation of hedged items	457	592
Net amount	346,440	329,579
Loans secured by notes and securities	238	263
Securities purchased under resale agreements	23,508	14,526
Total amount of customer loans	370,186	344,368
Fair value of customer loans	373,416	348,506

(1) As at 30 June 2015, the amount of receivables with incurred credit risk was EUR 24,358 million compared to EUR 23,723 million as at 31 December 2014.

Note 8

OTHER ASSETS AND OTHER LIABILITIES

OTHER ASSETS

<i>(In millions of euros)</i>	30 June 2015	31 December 2014
Guarantee deposits paid ⁽¹⁾	33,665	33,494
Settlement accounts on securities transactions	9,851	7,144
Prepaid expenses	663	556
Miscellaneous receivables	27,746	24,273
Gross amount	71,925	65,467
Impairment	(245)	(229)
Net amount	71,680	65,238

(1) Mainly relates to guarantee deposits paid on financial instruments.

OTHER LIABILITIES

<i>(In millions of euros)</i>	30 June 2015	31 December 2014
Guarantee deposits received ⁽²⁾	44,165	41,222
Settlement accounts on securities transactions	13,511	6,909
Other securities transactions	16	16
Expenses payable on employee benefits	2,695	2,761
Deferred income	1,762	1,558
Miscellaneous payables*	27,551	22,565
Total	89,700	75,031

(2) Mainly relates to guarantee deposits received on financial instruments.

*Amount restated relative to the financial statements published at 31 December 2014 according to the retrospective application of IFRIC 21. The concerned amount of *Miscellaneous payables* is EUR 22,565 million versus EUR 22,658 million.

Note 9

GOODWILL

The table below shows the changes in the first half of 2015 in the net values of goodwill recorded by the Cash Generating Units (CGUs) since 31 December 2014:

<i>(in millions of euros)</i>	Net value at 31 December 2014	Acquisitions and other increases	Disposals	Impairment losses	Net value at 30 June 2015
French retail Banking	798	14	-	-	812
Societe Generale Network	287	14	-	-	301
Credit du Nord	511	-	-	-	511
International retail Banking & Financial Services	2,686	13	-	-	2,699
Europe	1,910	-	-	-	1,910
Russia	-	-	-	-	-
Africa, Asia, Mediterranean Basin and Overseas	254	-	-	-	254
Insurance	10	-	-	-	10
Professional Equipment Financing	335	-	-	-	335
Auto Leasing Financial Services	177	13	-	-	190
Global Banking and Investor Solutions	847	-	-	-	847
Global Markets and Investor Services*	488	-	-	-	488
Financing and Advisory*	32	-	-	-	32
Asset and Wealth Management*	327	-	-	-	327
TOTAL	4,331	27	-	-	4,358

* Amounts restated relative to the financial statements published in 2014 according to the restructuring of the Global Banking and Investor Solutions business line on the 1st half of 2015:

- The activities of the former CGU Corporate and Investment Banking are now spread among two new CGUs "Financing and Advisory" and "Global Markets and Investor Services". The "Global Markets and Investor Services" also includes Securities Services activity;
 - CGU Asset & Wealth Management now includes the former CGU Private Banking and the asset management.
- The Group has performed this reallocation based on the normative equity of the activities comprising the CGUs.

Note 9 (continued)

GOODWILL

The table below gives a detailed breakdown of the reallocation of the net values within the pillar Global Banking and Investor Solutions between the former CGUs (in the columns) and the new CGUs (on the lines):

<i>(in millions of euros)</i>	Financing and Advisory	Asset and Wealth Management	Global Banking and Investor Solutions	Net value at 31 December 2014
Global Markets and Investor Services	-	471	17	488
Financing and Advisory	-	-	32	32
Asset & Wealth Management	327	-	-	327
Total	327	471	49	847

As at 30 June 2015, goodwill recorded by the 11 CGUs can be broken down as follows:

Pillar	Activities
French Retail Banking	
Societe Generale Network	Societe Generale's retail banking network, online banking activities (Boursorama), consumer and equipment financing in France and transaction and payment management services
Credit Du Nord	Retail banking network of Credit du Nord and its 7 regional banks
International Retail Banking and Financial Services	
Europe	Retail banking and consumer finance services in Europe, notably in Germany (Hanseatic Bank, BDK), Italy (Fiditalia), Romania (BRD), the Czech Republic (KB, Essox) and Poland (Eurobank)
Russia	Integrated banking group including Rosbank and its subsidiaries DeltaCredit and Rusfinance
Africa, Asia, Mediterranean Basin and Overseas	Retail banking and consumer finance in Africa, Asia, the Mediterranean Basin and Overseas, including in Morocco (SGMB), Algeria, Tunisia (UIB), Cameroon (SGBC), Côte d'Ivoire (SGBCI), China (SG China) and Senegal
Insurance	Life and non-life insurance activities in France and abroad (mainly Sogecap, Sogessur and Oradea Vie)
Professional Equipment Financing	Financing of sales and professional equipment by Societe Generale Equipment Finance
Auto Leasing Financial Services	Operational vehicle leasing and fleet management services (ALD Automotive)
Global Banking and Investor Solutions	
Global Markets and Investor Services	Investment solutions for businesses, financial institutions, the public sector, family offices and comprehensive range of securities solutions and clearing services, execution and premium brokerage
Financing and Advisory	Advisory and financing for businesses, financial institutions, the public sector
Asset and Wealth Management	Asset and wealth management solutions in France and abroad

Impairment tests were performed before the reallocation of goodwill in new CGUs. They have not led to depreciate goodwill at 30 June 2015.

Note 10

DUE TO BANKS

<i>(In millions of euros)</i>	30 June 2015	31 December 2014
Demand and overnight deposits		
Demand deposits and current accounts	15,631	14,767
Overnight deposits and borrowings and others	7,534	2,560
Sub-total	23,165	17,327
Term deposits		
Term deposits and borrowings	56,457	49,963
Borrowings secured by notes and securities	47	44
Sub-total	56,504	50,007
Related payables	102	128
Revaluation of hedged items	150	188
Securities sold under repurchase agreements	22,545	23,640
Total	102,466	91,290
Fair value of amounts due to banks	102,733	91,577

Note 11

CUSTOMER DEPOSITS

<i>(In millions of euros)</i>	30 June 2015	31 December 2014
Regulated savings accounts		
Demand	61,077	57,550
Term	23,300	22,235
Sub-total	84,377	79,785
Other demand deposits		
Businesses and sole proprietors	75,786	62,267
Individual customers	54,314	50,515
Financial customers	36,470	32,539
Others ⁽¹⁾	10,444	12,022
Sub-total	177,014	157,343
Other term deposits		
Businesses and sole proprietors	41,586	44,557
Individual customers	15,612	16,055
Financial customers	24,077	20,704
Others ⁽¹⁾	9,428	7,909
Sub-total	90,703	89,225
Related payables	1,360	889
Revaluation of hedged items	369	433
Total customer deposits	353,823	327,675
Borrowings secured by notes and securities	31	89
Securities sold to customers under repurchase agreements	23,392	21,971
Total	377,246	349,735
Fair value of customer deposits	378,198	349,810

(1) Including deposits linked to governments and central administrations.

Note 12

DEBT SECURITIES ISSUED

<i>(In millions of euros)</i>	30 June 2015	31 December 2014
Term savings certificates	1,221	947
Bond borrowings	22,793	22,255
Interbank certificates and negotiable debt instruments	82,153	81,890
Related payables	665	970
Sub-total	106,832	106,062
Revaluation of hedged items	2,144	2,596
Total	108,976	108,658
<i>O/w floating-rate securities</i>	<i>31,502</i>	<i>32,099</i>
Fair value of securitised debt payables	112,954	110,261

Note 13

PROVISIONS AND IMPAIRMENTS

1. ASSET IMPAIRMENTS

<i>(In millions of euros)</i>	Asset impairments as at 31 December 2014	Allocations	Write-backs available	Net impairment losses	Reversals used	Currency and scope effects	Asset impairments as at 30 June 2015
Banks	27	1	(10)	(9)	(3)	22	37
Customer loans	13,949	3,120	(2,178)	942	(967)	365	14,289
Lease financing and similar agreements	809	351	(306)	45	(40)	(17)	797
Groups of homogeneous assets	1,256	258	(229)	29	-	4	1,289
Available-for-sale assets ^{(1) (2)}	2,038	86	(971)	(885)	(7)	14	1,160
Others ⁽¹⁾	534	103	(65)	38	(26)	19	565
Total	18,613	3,919	(3,759)	160	(1,043)	407	18,137

(1) Including a EUR 18 million net allowance for counterparty risks.

(2) O/w write-down on variable-income securities, excluding insurance activities, of EUR 23 million, which can be broken down as follows:

- EUR 12 million: impairment loss on securities not written down as at 31 December 2014;
- EUR 11 million: additional impairment loss on securities already written down as at 31 December 2014.

2. PROVISIONS

<i>(In millions of euros)</i>	Provisions as at 31 December 2014	Allocations	Write-backs available	Net allocation	Write-backs used	Actuarial gains and losses	Currency and scope effects	Provisions as at 30 June 2015
Provisions for off-balance sheet commitments to banks	12	10	-	10	-	-	(9)	13
Provisions for off-balance sheet commitments to customers	304	217	(205)	12	-	-	12	328
Provisions for employee benefits	1,811	158	(217)	(59)	-	(152)	26	1,626
Provisions for tax adjustments	298	53	(38)	15	(37)	-	4	280
Other provisions ⁽³⁾	2,067	384	(70)	314	(56)	-	(16)	2,309
Total	4,492	822	(530)	292	(93)	(152)	17	4,556

(3) Including:

- EUR 238 million net allocation for net cost of risk, comprising predominantly allocations to provisions for disputes;
- EUR 75 million net allocation for PEL/CEL provisions as at 30 June 2015 for the French retail banking networks.

3. UNDERWRITING RESERVES OF INSURANCE COMPANIES

<i>(In millions of euros)</i>	30 June 2015	31 December 2014
Underwriting reserves for unit-linked policies	20,320	18,087
Life insurance underwriting reserves	77,175	75,360
Non-life insurance underwriting reserves	1,112	1,098
Deferred profit-sharing booked in liabilities	7,341	8,753
Total	105,948	103,298
Attributable to reinsurers	(274)	(282)
Underwriting reserves of insurance companies (including provisions for deferred profit-sharing) net of the share attributable to reinsurers	105,674	103,016

In accordance with IFRS 4 and Group accounting standards, the Liability Adequacy Test (LAT) was performed as at 30 June 2015. This test assesses whether recognised insurance liabilities are adequate, using current estimates of future cash flows under insurance policies. It is carried out on the basis of stochastic modelling similar to the one used for asset/liability management.

The result of the test as at 30 June 2015 was conclusive.

Note 14

INTEREST INCOME AND EXPENSE

<i>(In millions of euros)</i>	1st half of 2015	2014	1st half of 2014
Transactions with banks	715	1,281	682
Demand deposits and interbank loans	589	1,073	596
Securities purchased under resale agreements and loans secured by notes and securities	126	208	86
Transactions with customers	6,561	13,844	6,918
Trade notes	302	570	270
Other customer loans	5,916	12,520	6,311
Overdrafts	316	703	316
Securities purchased under resale agreements and loans secured by notes and securities	27	51	21
Transactions in financial instruments	4,641	8,151	3,795
Available-for-sale financial assets	1,414	3,042	1,471
Held-to-maturity financial assets	83	141	66
Securities lending	9	16	7
Hedging derivatives	3,135	4,952	2,251
Finance leases	606	1,256	634
Real estate finance leases	116	250	127
Non-real estate finance leases	490	1,006	507
Total interest income	12,523	24,532	12,029
<i>Including interest income from impaired financial assets</i>	218	476	255
Transactions with banks	(862)	(1,129)	(521)
Interbank borrowings	(785)	(994)	(449)
Securities sold under resale agreements and borrowings secured by notes and securities	(77)	(135)	(72)
Transactions with customers	(2,983)	(6,118)	(2,972)
Regulated savings accounts	(603)	(1,231)	(602)
Other customer deposits	(2,365)	(4,778)	(2,353)
Securities sold under resale agreements and borrowings secured by notes and securities	(15)	(109)	(17)
Transactions in financial instruments	(4,134)	(7,286)	(3,564)
Debt securities issued	(1,023)	(2,179)	(1,176)
Subordinated and convertible debt	(218)	(508)	(189)
Securities borrowing	(12)	(24)	(12)
Hedging derivatives	(2,881)	(4,575)	(2,187)
Other interest expense	-	-	(1)
Total interest expense⁽¹⁾	(7,979)	(14,533)	(7,058)

(1) These expenses include the refinancing cost of financial instruments at fair value through P&L, which is classified in net gain or loss (See Note 16). Given that income and expenses booked in the income statement are classified by type of instrument rather than by purpose, the net income generated by activities in financial instruments at fair value through P&L must be assessed as a whole.

Note 15

FEE INCOME AND EXPENSE

<i>(In millions of euros)</i>	1st half of 2015	2014	1st half of 2014
Fee income from			
Transactions with banks	66	120	62
Transactions with customers	1,275	2,595	1,279
Securities transactions	315	618	311
Primary market transactions	175	255	157
Foreign exchange transactions and financial derivatives	679	930	279
Loan and guarantee commitments	369	731	361
Services	1,956	3,623	1,802
Others	147	287	138
Total fee income	4,982	9,159	4,389
Fee expense on			
Transactions with banks	(61)	(113)	(44)
Securities transactions	(414)	(669)	(330)
Foreign exchange transactions and financial derivatives	(549)	(817)	(288)
Loan and guarantee commitments	(37)	(78)	(41)
Others	(480)	(1,007)	(485)
Total fee expense	(1,541)	(2,684)	(1,188)

Note 16

NET GAINS AND LOSSES ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

<i>(In millions of euros)</i>	1st half of 2015	2014	1st half of 2014
Net gain/loss on non-derivative financial assets held for trading	7,089	7,186	5,384
Net gain/loss on financial assets measured using fair value option	671	2,479	2,293
Net gain/loss on non-derivative financial liabilities held for trading	(2,575)	(3,065)	(3,178)
Net gain/loss on financial liabilities measured using fair value option	(20)	(4,894)	(3,959)
Net gain/loss on derivative instruments	(2,986)	2,038	2,178
Net gain/loss on fair value hedging instruments	(2,575)	6,533	2,133
Revaluation of hedged items attributable to hedged risks	2,755	(5,839)	(2,507)
Ineffective portion of cash flow hedge	-	2	1
Net gain/loss on foreign exchange transactions	1,556	41	(258)
Total⁽¹⁾⁽²⁾	3,915	4,481	2,087

(1) Insofar as income and expenses booked in the income statement are classified by type of instrument rather than by purpose, the net income generated by activities in financial instruments at fair value through P&L must be assessed as a whole. It should be noted that the income shown here does not include the refinancing cost of these financial instruments, which is shown under interest expense and interest income.

(2) Including:

EUR 17 million for the Credit Valuation Adjustment (CVA), versus EUR -7 million in 2014 and EUR +95 million on 1st half 2014;

EUR 5 million for the Debt Valuation Adjustment (DVA), versus EUR 38 million in 2014 and EUR +3 million on 1st half 2014;

EUR (19) million for the Funding Valuation Adjustment (FVA), versus EUR (52) million in 2014 and EUR (34) million on 1st half 2014.

The remaining amount to be recorded in the income statement resulting from the difference between the transaction price and the amount which would be established at this date using valuation techniques, minus the amount recorded in the income statement after initial recognition in the accounts, can be broken down as shown in the table below. This amount is recorded in the income statement over time or when the valuation techniques switch to observable parameters.

<i>(In millions of euros)</i>	1st half of 2015	2014	1st half of 2014
Remaining amount to be recorded in the income statement as at 1 January	1,031	1,012	1,012
Amount generated by new transactions within the period	356	564	228
Amount recorded in the income statement within the period	(319)	(545)	(238)
<i>O/w amortisation</i>	(121)	(216)	(101)
<i>O/w switch to observable parameters</i>	(12)	(28)	(22)
<i>O/w disposed, expired or terminated</i>	(187)	(302)	(113)
<i>O/w translation differences</i>	1	1	(2)
Remaining amount to be recorded in the income statement at the end of the period	1,068	1,031	1,002

Note 17

NET GAINS AND LOSSES ON AVAILABLE-FOR-SALE FINANCIAL ASSETS

<i>(In millions of euros)</i>	1st half of 2015	2014	1st half of 2014
Current activities			
Gains on sale ⁽¹⁾	1,265	694	288
Losses on sale ⁽²⁾	(35)	(235)	(25)
Impairment losses on variable-income securities	(67)	(8)	(6)
Profit-sharing on available-for-sale financial assets of insurance subsidiaries	(1,078)	(166)	(173)
Sub-total	85	285	84
Long-term equity investments			
Gains on sale	68	47	17
Losses on sale	-	(1)	(1)
Impairment losses on variable-income securities	(19)	(25)	(7)
Sub-total	49	21	9
Total	134	306	93

(1) O/w EUR 1,157 million for Insurance activities on 1st half of 2015.

(2) O/w EUR (16) million for Insurance activities on 1st half of 2015.

Note 18

PERSONNEL EXPENSES

<i>(In millions of euros)</i>	1st half of 2015	2014	1st half of 2014
Employee compensation	(3,461)	(6,504)	(3,228)
Social security charges and payroll taxes	(832)	(1,581)	(803)
Net pension expenses - defined contribution plans	(332)	(657)	(310)
Net pension expenses - defined benefit plans	(74)	(95)	(69)
Employee profit-sharing and incentives	(120)	(212)	(88)
Total	(4,819)	(9,049)	(4,498)
<i>Including net expenses from share based payments</i>	<i>(85)</i>	<i>(241)</i>	<i>(74)</i>

New equity settled plan for the half year ended 30 June 2015 is briefly described below:

Free share plan

Issuer	Societe Generale
Year of grant	2015
Type of plan	performance shares
Shareholders agreement	05.20.2014
Board of Directors' decision	03.12.2015
Number of free shares granted	1,233,505
Settlement	Societe Generale shares
Vesting period	03.12.2015 - 03.31.2017 ⁽¹⁾
Performance conditions	yes ⁽²⁾
Resignation from the Group	forfeited
Redundancy	forfeited
Retirement	maintained
Death	maintained for 6 months
Share price at grant date	42.18
Shares forfeited as at 30 June 2015	3,348
Shares outstanding as at 30 June 2015	1,230,157
Number of shares reserved as at 30 June 2015	1,230,157
Share price of shares reserved (in euros)	17.12
Total value of shares reserved (in millions of euros)	21.06
First authorised date for selling the shares	04.01.2019
Delay for selling after vesting period	2 years ⁽¹⁾
Fair value (% of the share price at grant date)	86% for French tax residents 83% for non-French tax residents
Valuation method used to determine the fair value	Arbitrage

(1) For non-French tax residents, the vesting period is increased by two years and there is no mandatory holding period.

(2) Except Boursorama, the performance conditions are based on the Group's Societe Generale profitability, as measured by the Group Net Income. For Boursorama, the performance conditions are based on the Boursorama Group Net Income.

Note 19

COST OF RISK

<i>(In millions of euros)</i>	1st half of 2015	2014	1st half of 2014
Counterparty risk			
Net allocation to impairment losses	(1,047)	(2,496)	(1,285)
Losses not covered	(123)	(266)	(97)
<i>on bad loans</i>	(94)	(229)	(78)
<i>on other risks</i>	(29)	(37)	(19)
Amounts recovered	71	167	95
<i>on bad loans</i>	70	163	92
<i>on other risks</i>	1	4	3
Other risks			-
Net allocation to other provisions ⁽¹⁾	(238)	(372)	(132)
Total	(1,337)	(2,967)	(1,419)

(1) To take into account the developments in a number of legal risks, including in particular the ongoing judicial investigations and proceedings with the US and European authorities, as well as the French "Conseil d'Etat" ruling on the "precompte" dated 10 December 2012, the Group has recognised a provision for disputes among its liabilities that has been adjusted at 30 June 2015 by an additional allowance of EUR 200 million to raise it to EUR 1,300 million.

Note 20

INCOME TAX

<i>(In millions of euros)</i>	1st half of 2015	2014*	1st half of 2014*
Current taxes	(853)	(1,192)	(670)
Deferred taxes*	(114)	(184)	65
Total taxes⁽¹⁾	(967)	(1,376)	(605)

(1) Reconciliation of the difference between the Group's standard tax rate and its effective tax rate:

	1st half of 2015	2014*	1st half of 2014*
Income before tax excluding net income from companies accounted for using the equity method and impairment losses on goodwill (in millions of euros)*	3,278	4,666	2,432
Normal tax rate applicable to French companies (including 3.3% tax contributions)	34.43%	34.43%	34.43%
Permanent differences*	2.34%	5.26%	1.48%
Differential on securities tax exempt or taxed at reduced rate*	-0.41%	-0.55%	-2.93%
Tax rate differential on profits taxed outside France*	-6.14%	-7.65%	-7.17%
Impact of non-deductible losses and use of tax losses carried forward*	-0.71%	-2.01%	-0.95%
Group effective tax rate*	29.51%	29.48%	24.86%

* Amounts restated relative to the financial statements published at 31 December 2014 according to the retrospective application of IFRIC 21:

- The amount of *Deferred taxes* is EUR 184 million against EUR 192 million in 2014 and EUR 65 million against EUR 19 million on the 1st half of 2014;
- The amount of *Income before tax excluding net income from companies accounted for using the equity method and impairment losses on goodwill* is EUR 4,666 million against EUR 4,687 million in 2014 and EUR 2,432 million against EUR 2,578 million on the 1st half of 2014.

In France, the standard Corporate Income Tax rate is 33.33%. A *contribution sociale* (national contribution payment based on pre-tax earnings) was introduced in 2000 equal to 3.3% (after a deduction from basic taxable income of EUR 0.76 million). In 2011, an additional contribution of 5% was introduced, in respect of fiscal years 2011 and 2012 and subsequently renewed for fiscal years 2013 and 2014 at a tax rate of 10.7%, applicable to profitable companies generating revenue in excess of EUR 250 million. The Amended Financial Law of 8 August 2014 extends this additional contribution for the year 2015.

Long-term capital gains on equity investments are exempt, subject to taxation of a portion of fees and expenses at the full statutory tax rate. In accordance with the 2013 Finance Law, this portion of fees and expenses is 12% of gross capital gains.

Dividends from companies in which Societe Generale's equity interest is at least 5% are tax exempt, subject to taxation of a 5% portion of fees and expenses at the full statutory tax rate.

The standard tax rate applicable to French companies to determine their deferred tax is 34.43%. The reduced rate is 4.13% taking into account the nature of the taxed transactions.

Note 21

EARNINGS PER SHARE

<i>(In millions of euros)</i>	1st half of 2015	2014	1st half of 2014
Net income, Group share*	2,219	2,679	1,248
Net attributable income to deeply subordinated notes	(219)	(399)	(177)
Net attributable income to perpetual subordinated notes shareholders	4	(7)	(3)
Issuance fees relating to subordinated notes	-	(14)	(8)
Net result related to the redemption of the perpetual subordinated notes	-	6	6
Net attributable income to ordinary shareholders*	2,004	2,265	1,066
Weighted average number of ordinary shares outstanding ⁽¹⁾	789,747,628	781,283,039	778,706,804
Earnings per ordinary share (in euros)*	2.54	2.90	1.37
Average number of ordinary shares used in the dilution calculation ⁽²⁾	106,929	173,659	201,525
Weighted average number of ordinary shares used in the calculation of diluted net earnings per share	789,854,557	781,456,698	778,908,329
Diluted earnings per ordinary share (in euros)*	2.54	2.90	1.37

* Amounts restated relative to the financial statements published at 31 December 2014 according to the retrospective application of IFRIC 21:

- Earnings per ordinary share amounted to EUR 2.90 against EUR 2.92 on 31 December 2014 and to EUR 1.37 against EUR 1.49 on 30 June 2014;
- Diluted earnings per ordinary share amounted to EUR 2.90 against EUR 2.91 on 31 December 2014 and to EUR 1.37 against EUR 1.49 on 30 June 2014.

(1) Excluding treasury shares.

(2) The number of shares used in the dilution calculation is computed using the "shares buy-back" method and takes into account free shares and stock-option plans.

Stock-option plans' dilutive effect depends on the average stock-market price of Societe Generale which is, at 30 June 2015, EUR 41.59.

In this context, as at 30 June 2015, only free shares without performance condition of 2009 and 2010 plans are considered as dilutive.

Note 22

SEGMENT INFORMATION

SEGMENT INFORMATION BY BUSINESS LINES

	Societe Generale Group			French Retail Banking			Corporate Centre		
	1st half of 2015	2014*	1st half of 2014*	1st half of 2015	2014*	1st half of 2014*	1st half of 2015	2014*	1st half of 2014*
<i>(In millions of euros)</i>									
Net banking income	13,222	23,561	11,556	4,208	8,275	4,139	113	(864)	(682)
Operating Expenses	(8,566)	(16,037)	(7,905)	(2,695)	(5,357)	(2,649)	(33)	(103)	(12)
Gross operating income	4,656	7,524	3,651	1,513	2,918	1,490	80	(967)	(694)
Cost of risk	(1,337)	(2,967)	(1,419)	(413)	(1,041)	(501)	(198)	(403)	(202)
Operating income	3,319	4,557	2,232	1,100	1,877	989	(118)	(1,370)	(896)
Net income from companies accounted for by the equity method	110	213	102	22	45	22	11	20	18
Net income / expense from other assets	(41)	109	200	(19)	(21)	(4)	(3)	333	206
Impairment of goodwill	-	(525)	(525)	-	-	-	-	-	-
Earnings before tax	3,388	4,354	2,009	1,103	1,901	1,007	(110)	(1,017)	(672)
Income tax	(967)	(1,376)	(605)	(411)	(704)	(375)	37	302	309
Net income before non-controlling interests	2,421	2,978	1,404	692	1,197	632	(73)	(715)	(363)
Non-controlling interests	202	299	156	-	(7)	(7)	64	89	50
Net income, Group share	2,219	2,679	1,248	692	1,204	639	(137)	(804)	(413)

	International retail Banking & Financial Services								
	International Retail Banking			Financial Services to Corporates			Insurance		
	1st half of 2015	2014*	1st half of 2014*	1st half of 2015	2014*	1st half of 2014*	1st half of 2015	2014*	1st half of 2014*
<i>(In millions of euros)</i>									
Net banking income	2,480	5,339	2,644	746	1,328	660	410	757	373
Operating Expenses	(1,645)	(3,263)	(1,644)	(383)	(716)	(358)	(176)	(300)	(158)
Gross operating income	835	2,076	1,000	363	612	302	234	457	215
Cost of risk	(573)	(1,354)	(649)	(47)	(88)	(41)	-	-	-
Operating income	262	722	351	316	524	261	234	457	215
Net income from companies accounted for by the equity method	8	13	7	13	37	11	-	-	-
Net income / expense from other assets	(26)	(198)	3	-	-	-	-	-	-
Impairment of goodwill	-	(525)	(525)	-	-	-	-	-	-
Earnings before tax	244	12	(164)	329	561	272	234	457	215
Income tax	(52)	(148)	(74)	(100)	(166)	(63)	(75)	(145)	(69)
Net income before non-controlling interests	192	(136)	(238)	229	395	189	159	312	146
Non-controlling interests	126	195	104	2	3	2	1	3	-
Net income, Group share	66	(331)	(342)	227	392	187	158	309	146

	Global Banking and Investor Solutions								
	Global Markets and Investors Solutions			Financing and Advisory			Asset and Wealth Management		
	1st half of 2015	2014*	1st half of 2014*	1st half of 2015	2014*	1st half of 2014*	1st half of 2015	2014*	1st half of 2014*
<i>(In millions of euros)</i>									
Net banking income	3,502	5,628	2,904	1,207	2,060	999	556	1,038	519
Operating Expenses	(2,484)	(4,126)	(2,040)	(742)	(1,303)	(635)	(408)	(869)	(409)
Gross operating income	1,018	1,502	864	465	757	364	148	169	110
Cost of risk	(31)	(35)	(8)	(58)	(40)	(16)	(17)	(6)	(2)
Operating income	987	1,467	856	407	717	348	131	163	108
Net income from companies accounted for by the equity method	3	-	(3)	(5)	-	-	58	98	47
Net income / expense from other assets	(1)	2	-	9	(10)	(8)	(1)	3	3
Impairment of goodwill	-	-	-	-	-	-	-	-	-
Earnings before tax	989	1,469	853	411	707	340	188	264	158
Income tax	(265)	(378)	(224)	(62)	(91)	(58)	(39)	(46)	(31)
Net income before non-controlling interests	724	1,091	629	349	616	282	149	218	127
Non-controlling interests	6	12	5	2	3	2	1	1	-
Net income, Group share	718	1,079	624	347	613	280	148	217	127

	Societe Generale Group		French Retail Banking		Corporate Centre ⁽²⁾			
	30 June 2015	31 December 2014*	30 June 2015	31 December 2014*	30 June 2015	31 December 2014*		
<i>(In millions of euros)</i>								
Segment assets			1,359,510	1,308,138	216,697	201,803	113,393	107,243
Segment liabilities ⁽¹⁾			1,299,907	1,249,264	204,809	196,057	87,673	91,070

	International retail Banking & Financial Services					
	International Retail Banking		Financial Services to Corporates		Insurance	
	30 June 2015	31 December 2014*	30 June 2015	31 December 2014*	30 June 2015	31 December 2014*
<i>(In millions of euros)</i>						
Segment assets	108,898	112,038	30,857	29,104	116,872	113,897
Segment liabilities ⁽¹⁾	83,657	85,032	10,398	9,522	111,250	107,676

	Global Banking and Investor Solutions					
	Global Markets and Investors Solutions		Financing and Advisory		Asset and Wealth Management	
	30 June 2015	31 December 2014*	30 June 2015	31 December 2014*	30 June 2015	31 December 2014*
<i>(In millions of euros)</i>						
Segment assets	649,797	627,786	87,531	83,708	35,465	32,559
Segment liabilities ⁽¹⁾	745,971	706,678	26,239	24,859	29,910	28,570

* Amounts restated relative to the financial statements published at 31 December 2014 due to:

- the retrospective application of IFRIC 21;
- adjustments of normative capital calculation method within business lines;
- changes of allocation rules within International retail Banking & Financial Services;
- a new organization of the Global Banking and Investor Solutions business lines on the 1st half of 2015.

(1) Segment liabilities correspond to debts (i.e. total liabilities excluding equity).

(2) Assets and liabilities not directly related to the business lines activities are recorded on the Corporate Centre's balance sheet. Thus the debt revaluation differences linked to own credit risk and the revaluation differences of the credit derivative instruments hedging the loans and receivables portfolios are allocated to the corporate center.

Note 22 (continued)

SEGMENT INFORMATION

SEGMENT INFORMATION BY GEOGRAPHICAL REGION

GEOGRAPHICAL BREAKDOWN OF NET BANKING INCOME

	France			Europe			Americas		
	1st half of 2015	2014*	1st half of 2014*	1st half of 2015	2014	1st half of 2014*	1st half of 2015	2014	1st half of 2014
<i>(In millions of euros)</i>									
Net interest and similar income	2,438	4,531	2,237	2,113	4,500	2,093	(26)	263	213
Net fee income	2,067	4,188	2,019	831	1,673	850	283	139	94
Net income / expense from financial transactions	2,112	1,372	679	509	2,347	778	753	884	269
Other net operating income	(31)	576	466	653	1,293	632	11	1	(3)
Net banking income	6,586	10,667	5,401	4,106	9,813	4,353	1,021	1,287	573

	Asia		Africa			Oceania			Total			
	1st half of 2015	2014	1st half of 2015	2014	1st half of 2014	1st half of 2015	2014	1st half of 2014	1st half of 2015	2014*	1st half of 2014*	
<i>(In millions of euros)</i>												
Net interest and similar income	121	296	116	422	768	386	33	73	35	5,101	10,431	5,080
Net fee income	66	101	59	169	326	154	25	48	25	3,441	6,475	3,201
Net income / expense from financial transactions	642	138	432	30	40	18	3	6	4	4,049	4,787	2,180
Other net operating income	4	(2)	1	(8)	(4)	(3)	2	4	2	631	1,868	1,095
Net banking income	833	533	608	613	1,130	555	63	131	66	13,222	23,561	11,556

GEOGRAPHICAL BREAKDOWN OF BALANCE SHEET ITEMS

	France		Europe		Americas		
	30 June 2015	31 December 2014*	30 June 2015	31 December 2014	30 June 2015	31 December 2014	
<i>(In millions of euros)</i>							
Segment assets		1,011,395	943,223	183,182	178,848	111,767	124,468
Segment liabilities ⁽³⁾		956,790	929,064	179,668	164,879	113,223	114,212

	Asia		Africa		Oceania		Total	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014*
<i>(In millions of euros)</i>								
Segment assets	31,040	38,753	19,421	20,245	2,705	2,601	1,359,510	1,308,138
Segment liabilities ⁽³⁾	29,681	20,791	18,008	17,875	2,537	2,443	1,299,907	1,249,264

* Amounts restated relative to the financial statements published at 31 December 2014 according to the retrospective application of IFRIC 21.
(3) Segment liabilities correspond to debts (i.e. total liabilities excluding equity).