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## Launch Announcement for CBBCs

issued by

**SGA Société Générale Acceptance N.V.**

*(incorporated in Curaçao with limited liability)*

**unconditionally and irrevocably guaranteed by**

**Société Générale (the “Guarantor”)**

*(incorporated in France)*



**Sponsor, Liquidity Provider & Placing Agent**

**SG Securities (HK) Limited**

### Particulars of CBBCs

We, SGA Société Générale Acceptance N.V., intend to issue the following CBBCs:

CBBCs	Series 1	Series 2	Series 3	Series 4	Series 5
Stock code	62357	62359	62360	62361	62362
Issue size	200,000,000 CBBCs	200,000,000 CBBCs	200,000,000 CBBCs	200,000,000 CBBCs	200,000,000 CBBCs
Type	European style cash settled category R bear CBBCs	European style cash settled category R bull CBBCs	European style cash settled category R bull CBBCs	European style cash settled category R bull CBBCs	European style cash settled category R bull CBBCs
Index	Hang Seng Index	Hang Seng Index	Hang Seng Index	Hang Seng Index	Hang Seng Index
Index Currency Amount (HK\$)	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Board Lot	10,000 CBBCs	10,000 CBBCs	10,000 CBBCs	10,000 CBBCs	10,000 CBBCs
Issue Price (HK\$)	\$0.25	\$0.45	\$0.42	\$0.39	\$0.355
Strike Level	19,050.00	16,050.00	16,250.00	16,450.00	16,650.00
Call Level	18,850.00	16,250.00	16,450.00	16,650.00	16,850.00
Launch Date	18 May 2012	18 May 2012	18 May 2012	18 May 2012	18 May 2012
Issue Date	23 May 2012	23 May 2012	23 May 2012	23 May 2012	23 May 2012
Expected Listing Date	25 May 2012	25 May 2012	25 May 2012	25 May 2012	25 May 2012
Observation Commencement Date	25 May 2012	25 May 2012	25 May 2012	25 May 2012	25 May 2012
Valuation Date/Expiry Date	30 October 2012	28 December 2012	28 December 2012	28 December 2012	28 December 2012
Divisor	10,000	8,000	8,000	8,000	8,000
Premium*	11.75%	4.77%	4.56%	4.35%	3.92%
Gearing*	7.50x	5.21x	5.58x	6.01x	6.60x
Effective Gearing*	7.50x	5.21x	5.58x	6.01x	6.60x
Initial Funding Cost	25.60% p.a. (=HIBOR+25.02 %)	9.09% p.a. (=HIBOR+8.51 %)	8.58% p.a. (=HIBOR+8.00 %)	8.08% p.a. (=HIBOR+7.50 %)	7.20% p.a. (=HIBOR+6.62 %)

\*This data may not be comparable to similar information provided by other issuers of callable bull/bear contracts. Each issuer may use different pricing models.

### How much will you receive upon occurrence of the Mandatory Call Event?

The Mandatory Call Event occurs when the Spot Level of the Index is, at any time on any day on which the Index is scheduled to be published during the Observation Period:

- (a) in respect of a series of bull CBBCs, at or below the Call Level; and
- (b) in respect of a series of bear CBBCs, at or above the Call Level.

“**Spot Level**” means the spot level of the Index as compiled and published by Hang Seng Indexes Company Limited.

“**Observation Period**” means the period commencing from and including the Observation Commencement Date up to and including the close of trading on the Stock Exchange on the Trading Day (as defined in the conditions of the CBBCs) immediately preceding the Expiry Date.

Subject to the limited circumstances set out in the conditions of the CBBCs in which the Mandatory Call Event may be reversed, upon the occurrence of the Mandatory Call Event, we must terminate the CBBCs and you may receive a Residual Value per Board Lot in Hong Kong dollars calculated as follows (if positive):

In respect of a series of bull CBBCs:

$$\text{Residual Value per Board Lot} = \frac{(\text{Minimum Index Level} - \text{Strike Level}) \times \text{one Board Lot} \times \text{Index Currency Amount}}{\text{Divisor}}$$

If the Residual Value is at or below zero, you will lose all your investment in the CBBCs.

Where “**Minimum Index Level**” means the lowest Spot Level of the Index during the MCE Valuation Period (being the period commencing from and including the moment upon which the Mandatory Call Event occurs and up to the end of the following trading session on the Stock Exchange subject to any extension).

In respect of a series of bear CBBCs:

$$\text{Residual Value per Board Lot} = \frac{(\text{Strike Level} - \text{Maximum Index Level}) \times \text{one Board Lot} \times \text{Index Currency Amount}}{\text{Divisor}}$$

If the Residual Value is at or below zero, you will lose all your investment in the CBBCs.

Where “**Maximum Index Level**” means the highest Spot Level of the Index during the MCE Valuation Period (being the period commencing from and including the moment upon which the Mandatory Call Event occurs and up to the end of the following trading session on the Stock Exchange subject to any extension).

### How much will you receive at expiry?

If no Mandatory Call Event has occurred during the Observation Period, the CBBCs will be automatically exercised on the relevant Expiry Date if the Cash Settlement Amount is greater than zero. You will receive a Cash Settlement Amount per Board Lot in Hong Kong dollars calculated as follows (if positive):

In respect of a series of bull CBBCs:

$$\text{Cash Settlement Amount per Board Lot} = \frac{(\text{Closing Level} - \text{Strike Level}) \times \text{one Board Lot} \times \text{Index Currency Amount}}{\text{Divisor}}$$

In respect of a series of bear CBBCs:

$$\text{Cash Settlement Amount per Board Lot} = \frac{(\text{Strike Level} - \text{Closing Level}) \times \text{one Board Lot} \times \text{Index Currency Amount}}{\text{Divisor}}$$

For Series 1, the “**Closing Level**” means the final settlement price for settling the Hang Seng Index October 2012 Futures Contracts determined pursuant to Regulation 012 of the Regulations for trading Stock Index Futures and the Contract Specifications for Hang Seng Index Futures Contracts (as amended from time to time) of the Hong Kong Futures Exchange, subject to our right to determine the Closing Level in good faith on the Valuation Date upon the occurrence of a Market Disruption Event as described further in the terms and conditions of the CBBCs.

For Series 2, Series 3, Series 4 and Series 5, the “**Closing Level**” means the final settlement price for settling the Hang Seng Index December 2012 Futures Contracts determined pursuant to Regulation 012 of the Regulations for trading Stock Index Futures and the Contract Specifications for Hang Seng Index Futures Contracts (as amended from time to time) of the Hong Kong Futures Exchange, subject to our right to determine the Closing Level in good faith on the Valuation Date upon the occurrence of a Market Disruption Event as described further in the terms and conditions of the CBBCs.

### **Listing of the CBBCs**

We will make an application to the Stock Exchange for the listing of, and permission to deal in, the CBBCs on the Stock Exchange. The Expected Listing Date is the expected date on which dealings in the CBBCs will commence.

### **Where do you obtain quotes?**

The Liquidity Provider is SG Securities (HK) Limited and its office is located at Level 38, Three Pacific Place, 1 Queen’s Road East, Hong Kong. You may request to obtain a quote for your CBBCs by calling the following telephone number:

	<b>Series 1</b>	<b>Series 2</b>	<b>Series 3</b>	<b>Series 4</b>	<b>Series 5</b>
<i>Broker ID Number:</i>	9559	9509	9667	9559	9509
<i>Telephone number:</i>	(852) 2166 4270	(852) 2166 4270	(852) 2166 4270	(852) 2166 4270	(852) 2166 4270

Quotes will be provided for a minimum of 10 Board Lots of the CBBCs with a maximum of 25 tick spread between bid and offer prices.

We do not have any special arrangements in place with any brokers with respect to our CBBCs.

### **Where can you inspect the relevant documents?**

You may inspect the following documents (the “**Listing Documents**”), each in separate English and Chinese versions, from the Issue Date until the Expiry Date at Level 38, Three Pacific Place, 1 Queen’s Road East, Hong Kong:

- 1 the base listing document dated 2 April 2012 (as supplemented by an addendum dated 9 May 2012); and
- 2 the supplemental listing document for the CBBCs to be dated on or about the Issue Date.

### **IMPORTANT INFORMATION**

#### **Unsecured nature of the CBBCs**

The CBBCs constitute our general unsecured contractual obligations and of no other person and will rank equally among themselves and the guarantee in respect of the CBBCs constitutes the general unsecured contractual obligations of the Guarantor and of no other person. You are relying upon the creditworthiness of us and of the Guarantor and have no rights under the CBBCs against Hang Seng Indexes Company Limited.

Our obligations in relation to the CBBCs will be unconditionally and irrevocably guaranteed by the Guarantor.

The Guarantor’s long term debt ratings are:

<i>Rating agency</i>	<i>Rating as of the Launch Date</i>
Moody’s Investors Service, Inc.	A1
Standard and Poor’s Ratings Group	A

We are regulated by the Central Bank of Curaçao and Sint Maarten. The Hong Kong Branch of the Guarantor is a licensed bank in Hong Kong regulated by the Hong Kong Monetary Authority. The Guarantor is also regulated by, amongst others, the Autorité de Contrôle Prudentiel (French Prudential Supervisory Authority) in France.

#### Selling restriction

The CBBCs have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”), and will not be offered, sold, delivered or traded, at any time, indirectly or directly, in the United States or to, or for the account or benefit of, any U.S. person (as defined in the Securities Act).

#### Investment risk

The price of the CBBCs may fall in value as rapidly as it may rise and you may sustain a total loss of your investment. If the Cash Settlement Amount is less than or equal to zero, the CBBCs will expire worthless on the relevant Expiry Date.

The Liquidity Provider may be the only market participant for the CBBCs. The secondary market for the CBBCs may be limited.

#### You must:

- carefully study the risk factors set out in the relevant Listing Documents;
- fully understand the potential risks and rewards and independently determine whether the CBBCs are appropriate for you given your objectives, experience, financial and operational resources, and other relevant circumstances; and
- consult with such advisers as you deem necessary to assist yourself in making these determinations.

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