

Synthetic Zero – UK Equity Range

Synthetic Zeros offer the opportunity to receive a pre-defined amount per product (synthetic level) subject to the protection barrier not being breached on the exercise date of the product.

This is a conditional return with downside protection (of the initial investment) up to 40% on a range of leading UK equities over 2 years



HOW DOES IT WORK?

YIELD ENHANCEMENT

There are two scenarios on the final exercise date:

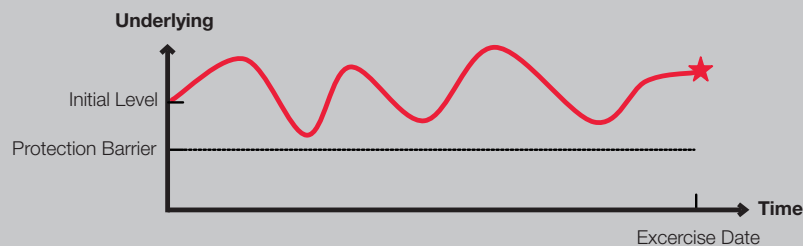
1. Investors will receive a pre-defined amount per product called 'synthetic level' provided that on the exercise date the price of the underlying equity does not close below a certain predefined level called the 'protection barrier' (see diagram 1). Please note that temporary breaches during the product's life, will not affect the exercise payment (see diagram 2). This means the redemption value still equals the predefined synthetic level.
2. If on the exercise date the protection barrier has been breached, the investor will receive the underlying equity value i.e its closing price on the exercise date (see diagram 3).

Quoted on the London Stock Exchange, investors can buy and sell these products throughout their life meaning that early exit is possible.

Example:

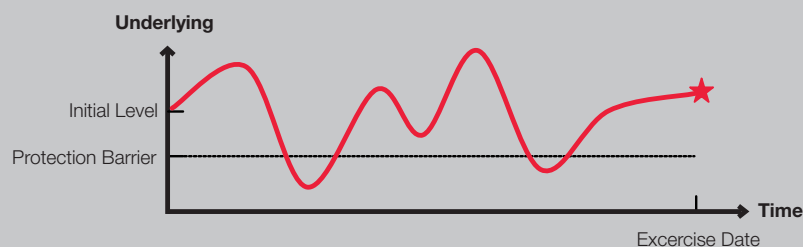
A Synthetic Zero issued on Barclays PLC at £2.87 and traded on the same day, with a protection barrier at £2.00 and a synthetic level of £4.00 will generate a return of 39.18% ($(£4.00 / £2.87 - 1)$) on the exercise date, provided the price of the underlying equity does not fall by more than 30.31% ($(£2 / £2.87 - 1)$) over its lifespan. So even if equities underperform, you can achieve respectable and yet protected returns. Investors' capital will be at risk if the underlying equity closes at or below the protection level on the exercise date. Capital repayment will be composed of the underlying value (see graph 3).

Diagram 1: The Protection Barrier is not breached on the exercise date



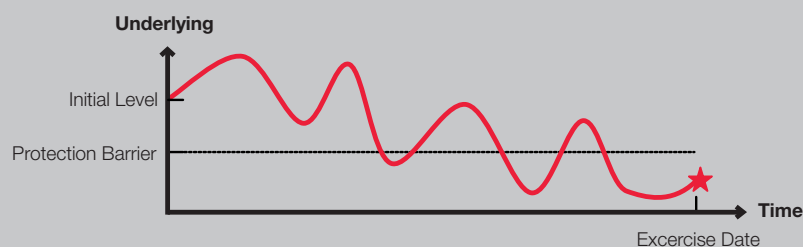
Redemption Value
=
Synthetic Value
i.e. yield received

Diagram 2: The Protection Barrier is not breached on the exercise date but has been breached during the term
Investors still receive the Synthetic Level



Redemption Value
=
Synthetic Value
i.e. yield received

Diagram 3: The Protection Barrier has been breached on the exercise date



Redemption Value
=
Value of the underlying

Synthetic Zero – UK Equity Range



GOING IN-DEPTH

YIELD ENHANCEMENT

Why use a synthetic zero?

Synthetic Zeros are for investors who have a moderate view on equity. With a potential enhanced performance in comparison with the current low cash returns, Synthetic Zeros represent a passive investment approach with a choice of return / protection pay-offs across a choice of underlyings designed to meet investors objectives and attitude to risk.

Société Générale's range offers a total return provided the underlying equity remains above the protection barrier on the exercise date.

Key Facts

- Pre-defined exercise payment on a neutral equity view
- Listing: London Stock Exchange
- Liquid LSE Secondary market
- No stamp duty on purchases
- SIPP, SSAS eligible*
- Returns treated as capital for tax purposes*
- Minimum investment: one investment product
- Maximum spread: 1%
- Liquidity: Intraday
- Currency: GBP

Table 1: Products launched January 2010

EPIC Code	Underlying	Initial Level (GBP)	Barrier (GBP)	Synthetic Level (GBP)	Exercise Date	Indicative Yield**	Indicative Protection**	ISIN Codes
SZ01	Anglo American	28.00	19.00	34.00	20/04//2012	21.4%	-32.1%	ANN8135N4109
SZ02	Barclays	2.87	2.00	4.00	20/04//2012	39.2%	-30.3%	ANN8135N4281
SZ03	British Airways	1.92	1.40	2.40	20/04//2012	24.8%	-27.2%	ANN8135N4364
SZ05	BHP Billiton	20.60	15.00	24.00	20/04//2012	16.5%	-27.2%	ANN8135N4448
SZ15	BT Group	1.46	1.00	1.85	21/09/2012	26.7%	-31.5%	ANN8135N8738
SZ14	Cable & Wireless	1.46	1.00	1.90	21/09/2012	30.1%	-31.5%	ANN8135N8654
SZ13	Centrica	2.85	2.00	3.45	21/09/2012	21.0%	-29.8%	ANN8135N8571
SZ06	Man Group	3.30	2.25	4.25	20/04//2012	28.9%	-31.8%	ANN8135N4513
SZ07	Land Secs Group	6.69	5.00	7.75	20/04//2012	15.8%	-25.3%	ANN8135N4695
SZ08	Lloyds Banking Group	0.53	0.35	0.70	20/04//2012	32.7%	-33.7%	ANN8135N4778
SZ09	Prudential	6.43	4.50	7.80	20/04//2012	21.4%	-30.0%	ANN8135N4851
SZ10	Royal Bank of Scotland	0.34	0.20	0.45	20/04//2012	33.9%	-40.5%	ANN8135N4935
SZ11	Rio Tinto	34.91	24.00	41.00	20/04//2012	17.5%	-31.2%	ANN8135N5015
SZ12	Xstrata	11.70	8.00	15.00	18/05/2012	28.2%	-31.6%	ANN8135N5197

** Indicative level on the launch date

Secondary Market

You can buy or sell the Synthetic Zero at any time on the secondary market prior to exercise date during normal market hours, on the LSE. The value of the product will vary on a daily basis.

Temporary breaches during the product's life, will not affect the exercise payment. Only the closing price of the underlying share on the exercise date will be taken into account to assess the potential breaching of the protection level.

The pre-defined 'synthetic level' is applicable only on the settlement date.

This product does not offer any capital guarantee but only a capital protection provided the underlying equity remains above the protection barrier on the exercise date.

SG Counterparty Risk

There is a risk that any failure by a member of the SOCIETE GENERALE group of companies to perform obligations when due may result in the loss of all or part of an investment. The investor still ultimately bears a credit risk on Société Générale.

Contact

For further information on the range of SG Listed Products, go to www.sglistedproducts.com

Alternatively, call the Freephone line 0800 328 1199 or email listedproducts@sgcib.com

*The tax statement is only a general guide and should be treated with appropriate caution. If you are in any doubt as to your tax position, please consult with an appropriate professional tax adviser. This statement of the UK tax treatment of the product is based on the laws and practice in force as of the date of this document and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect.

Risk warning: This document is for informational purposes only. Under no circumstance should it, in whole or in part, be considered as an offer to enter into a transaction. Although information contained herein is from sources believed to be reliable, Société Générale makes no representation of warranty regarding the accuracy of any information and is not responsible for errors of any kind. The information contained herein is confidential. Any reproduction, disclosure or dissemination of these materials is prohibited. The product described within this document is not suitable for everyone. The value of the product can go down as well as up and investors should not deal in this product unless they understand its nature and the extent of its exposure to risk.

Issued by Société Générale, a firm authorised by the Banque de France and subject to limited regulation by the Financial Services Authority. Details about the extent of our regulation by the Financial Services Authority are available from us on request.

For more information: see the Terms and Conditions available on our website www.sglistedproducts.co.uk