

SOCIETE GENERALE HONG KONG BRANCH

Financial Information Disclosure Statements  
For the six months ended 30 June 2017

SOCIETE GENERALE HONG KONG BRANCH

FINANCIAL INFORMATION DISCLOSURE STATEMENTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2017

<u>CONTENTS</u>	<u>PAGE(S)</u>
PROFIT AND LOSS INFORMATION	1 - 3
BALANCE SHEET INFORMATION	4 - 7
SUPPLEMENTARY INFORMATION	8 - 16
STATEMENT OF COMPLIANCE	17

SOCIETE GENERALE HONG KONG BRANCH

SECTION A - HONG KONG BRANCH INFORMATION

PROFIT AND LOSS INFORMATION  
FOR THE SIX MONTHS ENDED 30 JUNE 2017

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	<u>For the six months ended</u>	
	<u>30.6.2017</u>	<u>30.6.2016</u>
	HK\$'000	HK\$'000
	Unaudited	Unaudited
Interest income	845,960	842,458
Interest expense	(876,554)	(747,168)
Net interest income	(30,594)	95,290
Other operating income	1,439,495	1,248,964
Operating expenses	1,408,901	1,344,254
	(894,173)	(834,764)
Operating income before impairment allowances and loss from disposal of property and equipment	514,728	509,490
Provision of impairment allowances on loans and receivables	(80,557)	(3,033)
Net loss from disposal of property and equipment	-	(29)
Profit before taxation	434,171	512,494
Income tax charge	(72,094)	(78,826)
Net profit	362,077	433,668

## SOCIETE GENERALE HONG KONG BRANCH

### SECTION A - HONG KONG BRANCH INFORMATION - continued

#### Branch activities

Societe Generale Hong Kong Branch ("the Branch") is a branch of Societe Generale ("the Bank"), a bank incorporated in France, and accordingly has no separate legal status or existence. The Branch is registered under the Hong Kong Banking Ordinance as a full licensed bank. During the year, the Branch was principally involved in lending, deposit taking activities, derivative trading activities, foreign exchange spot and forward market activities. Although there was a decrease in net income and an increase in provision of impairment allowances on loans and receivables, the Branch had a positive performance derived from the core operating activities for the six months ended 30 June 2017.

#### Details of profit and loss items

The details of key profit and loss items for the six months ended 30 June 2017 and 2016 are as follows:

(i) Interest income and expense

	<u>For the six months ended</u>	
	<u>30.6.2017</u>	<u>30.6.2016</u>
	<u>HK\$'000</u>	<u>HK\$'000</u>
Interest income was derived from:		
Swaps	3,544	2,439
Advances to customers	503,419	395,910
Loans and advances to banks and other financial institutions	338,997	444,109
	<u>845,960</u>	<u>842,458</u>
Interest expense was derived from:		
Swaps	4,142	3,085
Certificates of deposit	30,012	21,690
Deposits from customers	110,100	85,050
Deposits from banks and other financial institutions	732,300	637,343
	<u>876,554</u>	<u>747,168</u>

SOCIETE GENERALE HONG KONG BRANCH

SECTION A - HONG KONG BRANCH INFORMATION - continued

Details of profit and loss items - continued

(ii) Other operating income

	<u>For the six months ended</u>	
	<u>30.6.2017</u>	<u>30.6.2016</u>
	<u>HK\$'000</u>	<u>HK\$'000</u>
Fees and commission income	105,391	98,274
Less: Fees and commission expenses	(8,526)	(29,779)
Net fees and commission income	96,865	68,495
Gains less losses from sales credit regarding market activities	(176,627)	136,287
Gains less losses arising from trading in foreign currencies	448,988	376,896
Gains less losses on securities measured at fair value through profit or loss	74,226	(66,329)
Gains less losses from other trading activities	789,258	532,252
Management fee from intercompanies	200,978	200,976
Others	5,807	387
	<u>1,439,495</u>	<u>1,248,964</u>

(iii) Operating expenses

	<u>For the six months ended</u>	
	<u>30.6.2017</u>	<u>30.6.2016</u>
	<u>HK\$'000</u>	<u>HK\$'000</u>
Salaries and other costs	579,236	556,112
Premises and equipment:		
Rental of office premises and staff quarters	55,675	49,777
Others	4,763	9,268
Depreciation charge	14,530	14,174
Auditor's remuneration	696	483
Share in Head Office Expenses	61,630	29,794
Other operating expenses	177,643	175,156
	<u>894,173</u>	<u>834,764</u>

SOCIETE GENERALE HONG KONG BRANCH

SECTION A - HONG KONG BRANCH INFORMATION - continued

BALANCE SHEET INFORMATION  
AT 30 JUNE 2017

	<u>30.6.2017</u>	<u>31.12.2016</u>
	HK\$'000	HK\$'000
<b>ASSETS</b>		
Balances with banks	1,421,404	528,397
Placements with banks maturing between one and twelve months	2,037,378	861,496
Balances with the Monetary Authority	10,757	255,784
Amount due from overseas offices of the Bank	91,400,119	108,850,729
Trade bills	1,832,075	2,315,288
Securities measured at fair value through profit and loss	13,369,710	29,571,180
Loans and receivables	44,477,733	40,439,232
Property and equipment	84,928	81,905
Other investments	24,835	24,022
Total assets	<u>154,658,939</u>	<u>182,928,033</u>
<b>EQUITY AND LIABILITIES</b>		
Deposits and balances from banks	2,630,034	8,995,708
Deposits and balances from central banks and the Monetary Authority	25,484,021	30,841,351
Deposits from customers	13,347,335	16,712,646
Amount due to overseas offices of the Bank	99,323,060	95,722,165
Certificates of deposit issued	2,485,811	3,174,144
Other liabilities	11,456,559	27,861,951
Total liabilities	<u>154,726,820</u>	<u>183,357,965</u>
Reserves		
- Profit for the period/year	362,077	384,886
- Accumulated losses	(431,791)	(816,677)
- Revaluation reserve	1,833	1,859
Total equity and liabilities	<u>154,658,939</u>	<u>182,928,033</u>

SOCIETE GENERALE HONG KONG BRANCH

SECTION A - HONG KONG BRANCH INFORMATION - continued

ADDITIONAL BALANCE SHEET INFORMATION

(i) Loans and receivables		
	<u>30.6.2017</u>	<u>31.12.2016</u>
	HK\$'000	HK\$'000
Loans and advances to customers	42,142,637	39,074,602
Individual impairment allowances for impaired assets against loans and advances to customers	<u>(176,970)</u>	<u>(96,306)</u>
	41,965,667	38,978,296
Accrued interest and other accounts	<u>2,512,066</u>	<u>1,460,936</u>
	<u>44,477,733</u>	<u>40,439,232</u>

- (ii) At the instruction of the Bank, no collective impairment allowances to cover possible loan losses that are not separately identified are maintained in the Branch's accounts. Such impairment allowances are being made in the accounts of the Bank.

Where there is a risk that borrowers may not be able to honor a part or all of their liabilities or commitments, impairment allowances for specifically identified impaired assets are charged against income.

(iii) (a) Impaired loans and advances to customers:		
	<u>30.6.2017</u>	<u>31.12.2016</u>
	HK\$'000	HK\$'000
Impaired advances to customers	616,931	257,075
As percentage of total advances to customers	1.46%	0.66%
Individual impairment allowances	<u>(176,970)</u>	<u>(96,306)</u>

Impaired advances to customers are those advances where objective evidence exists that full repayment of principal or interest is considered unlikely.

The individual impairment allowances are made after taking into account the value of collateral in respect of such advances. The value of collateral is HK\$526,481,000 as at 30 June 2017 (31 December 2016: HK\$97,440,000).

SOCIETE GENERALE HONG KONG BRANCH

SECTION A - HONG KONG BRANCH INFORMATION - continued

ADDITIONAL BALANCE SHEET INFORMATION - continued

(b) Impairment allowances by geographical area:

The analysis of impairment allowances by geographical area, which is significant according to the location of the counterparties (constitutes 10% or more of the total advances to customers), is as follows:

	<u>30.6.2017</u> HK\$'000	<u>31.12.2016</u> HK\$'000
- Panama	49,339	52,453
- Marshall Islands	25,941	-
- China	8,080	10,495
	<u>83,360</u>	<u>62,948</u>

(iv) Impaired loans and advances to banks and other financial institutions

There were no impaired loans and advances to banks and other financial institutions as at 30 June 2017 and 31 December 2016.

(v) Overdue and rescheduled loans and advances

(a) There were loans and advances to customers which were overdue for more than 6 months as at 30 June 2017 (31 December 2016: HK\$159,329,000 overdue for more than 1 year).

	<u>30.06.2017</u>		<u>31.12.2016</u>	
	Overdue loans and advances to customers HK\$'000	Percentage of total loans and advances to customers %	Overdue loans and advances to customers HK\$'000	Percentage of total loans and advances to customers %
Loans and advances to customer which have been overdue for				
- more than one year	90,443	0.21	159,329	0.41
- more than six months but not more than one year	59,068	0.14	-	-

There were loans and advances to customers overdue for more than 6 months and 1 year. Individual impairment has been provided for the loans and advances to customers which have been overdue for more than 6 months and 1 year. The collateral held in respect of the overdue loans and advances to customers are tangible assets, with value of HK\$21,261,000 (31 December 2016: HK\$Nil).

	<u>30.06.2017</u> HK\$'000	<u>31.12.2016</u> HK\$'000
Covered portion of total overdue loans and advances	21,261	-
Uncovered portion of total overdue loans and advances	128,250	159,329



SOCIETE GENERALE HONG KONG BRANCH

SECTION A - HONG KONG BRANCH INFORMATION - continued

ADDITIONAL BALANCE SHEET INFORMATION – continued

(v) Overdue and rescheduled loans and advances - continued

(b) Overdue loans and advances by geographical area:

The analysis of overdue loans and advances by geographical area, which is significant according to the location of the counterparties (constitutes 10% or more of the total overdue loans and advances), is as follows:

	<u>30.6.2017</u> HK\$'000	<u>31.12.2016</u> HK\$'000
- Hong Kong	25,825	76,518
- China	64,618	82,811
- Panama	59,068	-
	<u>149,511</u>	<u>159,329</u>

(c) There were no loans and advances to banks which were overdue for more than one month as at 30 June 2017 and 31 December 2016.

(d) There were rescheduled loans and advances to customers of HK\$64,618,000 as at 30 June 2017 (31 December 2016: HK\$82,811,000).

(e) There were no rescheduled loans and advances to banks as at 30 June 2017 and 31 December 2016.

(vi) Other assets overdue

There were no other assets overdue for more than one month as at 30 June 2017 and 31 December 2016.

(vii) No repossessed assets were held as of 30 June 2017 and 31 December 2016.

(viii) Deposits from customers

	<u>30.6.2017</u> HK\$'000	<u>31.12.2016</u> HK\$'000
Demand deposits and current accounts	4,867,698	6,044,680
Saving deposits	1,055,077	1,488,418
Time, call and notice deposits	7,424,560	9,179,548
	<u>13,347,335</u>	<u>16,712,646</u>

SOCIETE GENERALE HONG KONG BRANCH

SECTION A - HONG KONG BRANCH INFORMATION - continued

OFF-BALANCE-SHEET EXPOSURES

The following is a summary of the contractual or notional amounts of each significant class of off-balance-sheet exposure:

(i) Contingent liabilities and commitments

	<u>30.6.2017</u>	<u>31.12.2016</u>
	HK\$'000	HK\$'000
Direct credit substitutes	498,789	599,553
Trade-related contingencies	1,835,770	1,400,817
Other commitments:		
- with an original maturity of under 1 year or are unconditionally cancellable	6,330,069	4,546,140
- with an original maturity of 1 year and over	3,059,942	2,372,319
Forward forward deposits placed	9,461,144	612,637
	<u>21,185,714</u>	<u>9,531,466</u>

SOCIETE GENERALE HONG KONG BRANCH

SECTION A - HONG KONG BRANCH INFORMATION - continued

SUPPLEMENTARY TO DERIVATIVE TRANSACTIONS

(i) Derivatives	<u>30.6.2017</u> HK\$'000	<u>31.12.2016</u> HK\$'000
Exchange rate contracts		
- Forwards	89,141,446	81,137,122
- Swaps	4,057,932	5,395,672
	<u>93,199,378</u>	<u>86,532,794</u>
Interest rate contracts		
- Swaps	6,602,670	5,785,673
- Forward forward deposits accepted	82,448,187	8,619,483
	<u>89,050,857</u>	<u>14,405,156</u>
Equity option contracts	<u>78,804</u>	<u>38,196</u>
	<u>203,514,753</u>	<u>110,507,612</u>

The contractual or notional amounts of the above instruments indicate the volume of transactions outstanding as of the balance sheet date. They do not represent amounts at risk.

The fair values of the above off-balance-sheet exposures after taking into account the effect of the valid bilateral netting agreement are as follows:

	<u>30.6.2017</u> HK\$'000	<u>31.12.2016</u> HK\$'000
Exchange rate contracts		
- Forwards	39,715	(32,174)
- Swaps	(2,880)	(418)
	<u>36,835</u>	<u>(32,592)</u>
Interest rate contracts		
- Swaps	(1,484)	2,311
Equity option contracts	<u>8,773</u>	<u>3,582</u>
	<u>7,289</u>	<u>5,893</u>

The amount of fair value which has taken into account the effect of the valid bilateral netting agreement is HK\$108,964,533 liabilities (31 December 2016: HK\$37,372,213 assets) for Forwards.

SOCIETE GENERALE HONG KONG BRANCH

SECTION A - HONG KONG BRANCH INFORMATION - continued

SEGMENTAL INFORMATION

(i) Loans and advances to customers by industry sectors

	<u>30.6.2017</u>		<u>31.12.2016</u>	
	Loans and advances to customers HK\$'000	Percentage of loans and advances secured by collateral %	Loans and advances to customers HK\$'000	Percentage of loans and advances secured by collateral %
Loans and advances for use in Hong Kong Industrial, commercial, and financial sectors				
- Transport and transport equipment	332,181	100	358,393	100
- Financial concerns	1,272,890	-	279,454	-
- Others	13,491	-	10,124	-
	<u>1,618,562</u>	21	<u>647,971</u>	55
Trade finance	1,962,472	-	3,549,641	2
Loans and advances for use outside Hong Kong	<u>38,561,603</u>	7	<u>34,876,990</u>	7
Loan and advances to customers	<u><u>42,142,637</u></u>	7	<u><u>39,074,602</u></u>	7

The above analysis of loans and advances to customers by industry sectors is based on categories and definitions used by the Monetary Authority.

(ii) Loans and advances to customers by geographical area

The analysis of loans and advances to customers by geographical area, which is significant according to the location of the counterparties (constitutes 10% or more of the total advances to customers), is as follows:

	<u>30.6.2017</u> HK\$'000	<u>31.12.2016</u> HK\$'000
- Australia	17,499,494	15,395,177
- Hong Kong	7,399,834	7,065,870
- Others	<u>17,243,309</u>	<u>16,613,555</u>
Loans and advances to customers	<u><u>42,142,637</u></u>	<u><u>39,074,602</u></u>

SOCIETE GENERALE HONG KONG BRANCH

SECTION A - HONG KONG BRANCH INFORMATION - continued

SEGMENTAL INFORMATION - continued

(iii) Non-bank Mainland exposures

The analysis of Mainland exposures to non-bank counterparties (being exposures which are material) as at 30 June 2017 and 31 December 2016 are as follows:

<u>In millions of HK\$</u>	<u>On-balance sheet exposure</u>	<u>Off-balance sheet exposure</u>	<u>Total</u>
As at 30 June 2017			
Central government, central government owned entities and their subsidiaries and joint ventures	7,680	1,364	9,044
Local governments, local government- owned entities and their subsidiaries and joint ventures	-	149	149
PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and joint ventures	4,594	1,607	6,201
Other entities of central governments	1,787	512	2,299
Other entities of local governments	134	-	134
Entities incorporated outside Mainland China where the credit is granted for use in Mainland China	-	-	-
Other counterparties where the exposures are considered by the Branch to be non- bank Mainland exposures	-	-	-
Total	<u>14,195</u>	<u>3,632</u>	<u>17,827</u>
Total assets after provision	154,659		
On balance sheet exposures as percentage of total assets	9%		

SOCIETE GENERALE HONG KONG BRANCH

SECTION A - HONG KONG BRANCH INFORMATION - continued

SEGMENTAL INFORMATION - continued

(iii) Non-bank Mainland exposures - continued

<u>In millions of HK\$</u>	<u>On-balance sheet exposure</u>	<u>Off-balance sheet exposure</u>	<u>Total</u>
As at 31 December 2016			
Central government, central government owned entities and their subsidiaries and joint ventures	7,581	1,491	9,072
Local governments, local government- owned entities and their subsidiaries and joint ventures	-	330	330
PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and joint ventures	4,757	342	5,099
Other entities of central governments	2,067	437	2,504
Other entities of local governments	-	-	-
Entities incorporated outside Mainland China where the credit is granted for use in Mainland China	-	-	-
Other counterparties where the exposures are considered by the Branch to be non- bank Mainland exposures	-	-	-
Total	<u>14,405</u>	<u>2,600</u>	<u>17,005</u>
Total assets after provision	182,928		
On balance sheet exposures as percentage of total assets	8%		

The analysis of non-bank mainland exposures is based on the categories of non-bank counterparties and the type of direct exposures with reference to the Monetary Authority return 'Return of Mainland Activities', which includes mainland exposures extended by the Branch.

SOCIETE GENERALE HONG KONG BRANCH

SECTION A - HONG KONG BRANCH INFORMATION - continued

SEGMENTAL INFORMATION - continued

(iv) International claims

The following illustrates the major country or geographical segment breakdown of international claims (constitutes 10% or more of the total international claims after taking into account any recognized risk transfer) by types of counterparties:

In millions of HK\$

		<u>Non-bank private sector</u>					
			Official	Non-bank	Non-		
		<u>Banks</u>	<u>sector</u>	<u>financial</u>	<u>financial</u>		
				<u>institutions</u>	<u>private</u>	<u>Others</u>	
					<u>sector</u>	<u>Total</u>	
As at 30 June 2017							
1.	Developed countries	93,900	-	4,732	15,808	-	114,440
	of which France	93,697	-	-	-	-	93,697
	of which Australia	7	-	4,661	12,591	-	17,259
2.	Developing Asia and Pacific	4,278	40	35	9,930	-	14,283
As at 31 December 2016							
1.	Developed countries	110,731	-	5,667	10,782	-	127,180
	of which France	110,526	-	-	50	-	110,576

## SOCIETE GENERALE HONG KONG BRANCH

### SECTION A - HONG KONG BRANCH INFORMATION - continued

#### CURRENCY RISK

The Branch does not have any discloseable currency risk exposure arising from options and structural positions. The currency risk arising from the Branch's operations for those individual currencies which each constitute more than 10% of the total net position in all foreign currencies is as follows:

#### Equivalent in millions of HK\$

As at 30 June 2017

	AUD	CNY	EUR	JPY	USD	Total
Spot assets	13,367	1,893	17,833	8,175	85,778	127,046
Spot liabilities	(15,492)	(2,643)	(16,809)	(243)	(89,205)	(124,392)
Forward purchases	6,174	18,436	2,201	4,290	45,282	76,383
Forward sales	(4,029)	(17,676)	(3,241)	(12,207)	(41,813)	(78,966)
Net short position	<u>20</u>	<u>10</u>	<u>(16)</u>	<u>15</u>	<u>42</u>	<u>71</u>

As at 31 December 2016

	CNY	EUR	USD	Total
Spot assets	762	24,114	96,291	121,167
Spot liabilities	(4,651)	(16,000)	(96,085)	(116,736)
Forward purchases	19,358	1,733	42,355	63,446
Forward sales	(15,298)	(9,926)	(42,503)	(67,727)
Net long/(short) position	<u>171</u>	<u>(79)</u>	<u>58</u>	<u>150</u>

#### LIQUIDITY

	<u>For the six months ended</u>	
	<u>30.6.2017</u>	<u>30.06.2016</u>
	Unaudited	Unaudited
Average liquidity maintenance ratio for the period	<u>61.76%</u>	<u>65.98%</u>

The adjusted liquidity maintenance ratio for the financial period is the arithmetic mean of each calendar month's average liquidity maintenance ratio as reported in the return relating to the liquidity position submitted by the Branch to the Monetary Authority pursuant to section 63 of the Ordinance in respect of the interim reporting period.

#### Liquidity risk management

Liquidity risk is the risk that the Branch cannot meet its current contractual and contingent obligations. To manage liquidity risk, the Branch has established the liquidity risk management framework which is in line with the Bank's framework and approved by the Branch's management. Such framework is documented in the Branch's liquidity risk management policy which is reviewed at least annually, and is consistent with the Bank's liquidity management.



## SOCIETE GENERALE HONG KONG BRANCH

### SECTION A - HONG KONG BRANCH INFORMATION – continued

#### LIQUIDITY – CONTINUED

##### Liquidity Risk Management Governance in the Branch

###### Asset & Liability Management Committee ("ALCO")

The Branch holds ALCO on a monthly basis and liquidity topics are monitored via this ALCO. General objective of the ALCO is to monitor the structure and growth of balance sheet, review the structural risks and liquidity risk. The Branch's ALCO also monitors the liquidity risk tolerance and liquidity targets. The ALCO is chaired by the Chief Executive of the Branch with representative from Treasury, Business Lines, Finance and Risk functions.

###### Treasury

Treasury function is responsible for operational management of the Branch's liquidity position, both in business as usual conditions and in crisis situation. The goals and objectives of the function are to provide funding to various business lines, ensure diversification of funding sources in the Branch with an optimized cost of liquidity, maintain adequate liquidity buffers to cover outflow in both normal and stress periods, ensure compliance of regulatory ratios and internal limits. Its activity is governed by the Group Treasurer and dedicated mandate accompanied by limits set by Risk function and in the respect of the local liquidity framework set by the ALCO.

##### Liquidity Risk Monitoring in the Branch

###### Oversight

The Branch has implemented adequate governance and management information systems to ensure compliance with regulatory ratios and internal limits and has put in place the management oversight around these. For example, Liquidity Maintenance Ratio ("LMR") and liquidity gap are communicated to the senior management of the Branch on a daily basis.

###### Internal stress testing

The objective of internal stress testing is to ensure sufficient liquidity for the Branch under different adverse scenarios to ensure compliance with survival horizon established for the Branch and monitor adequate liquidity reserves over the medium term. The Branch has used the Group's assumptions and methodology for stress testing. The results of stress testing are communicated to the management of the Branch on a daily basis and reported to the ALCO.

###### Contingency Funding Plan ("CFP")

The Branch has its own CFP, which is reviewed annually, is approved by the ALCO and is communicated to the Group Treasurer.

The Branch's CFP defines the framework for monitoring liquidity indicators in accordance with the liquidity crisis framework of the Group. The CFP designs an appropriate escalation procedure based on Early Warning Indicators, defines criteria to trigger CFP and the management of liquidity crisis with proper governance for alternative funding source. In particular, the trigger of the Branch's CFP is immediately communicated to the Group Treasurer.

## SOCIETE GENERALE HONG KONG BRANCH

### SECTION B - BANK INFORMATION (CONSOLIDATED BASIS)

The information set out below is based on the most recent consolidated accounts for the Bank as a whole as at 30 June 2017 and 31 December 2016.

#### PRUDENTIAL CAPITAL RATIO

	<u>30.6.2017</u>	<u>31.12.2016</u>
	%	%
Core Tier 1 ratio	11.9	11.8
Tier 1 ratio	14.6	14.8
Total capital ratio	<u>17.9</u>	<u>18.2</u>

The solvency ratio (Basel 2.5 solvency ratio) complies with the calculation methods established by the French Prudential Supervisory Authority. This ratio is based on the Bank's consolidated banking activities, thus eliminating the contributions of the insurance entities.

#### SHAREHOLDERS' FUND

	<u>30.6.2017</u>		<u>31.12.2016</u>	
	<u>EUR' billion</u>	<u>HK\$' billion equivalent</u>	<u>EUR' billion</u>	<u>HK\$' billion equivalent</u>
Aggregate amount of shareholders' fund	<u>60</u>	<u>535</u>	<u>62</u>	<u>505</u>

#### OTHER FINANCIAL INFORMATION

	<u>30.6.2017</u>		<u>31.12.2016</u>	
	<u>EUR' billion</u>	<u>HK\$' billion equivalent</u>	<u>EUR' billion</u>	<u>HK\$' billion equivalent</u>
Total assets	1,350	12,027	1,382	11,273
Total liabilities	1,286	11,457	1,317	10,737
Total advances to customers	418	3,724	427	3,478
Total customer deposits	<u>406</u>	<u>3,617</u>	<u>421</u>	<u>3,434</u>

	<u>30.6.2017</u>		<u>30.6.2016</u>	
	<u>EUR' billion</u>	<u>HK\$' billion equivalent</u>	<u>EUR' billion</u>	<u>HK\$' billion equivalent</u>
Pre-tax profit	<u>2.79</u>	<u>25</u>	<u>3.62</u>	<u>31</u>

SOCIETE GENERALE HONG KONG BRANCH

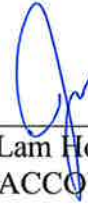
STATEMENT OF COMPLIANCE

This is to confirm that the information in these disclosure statements for the six months ended 30 June 2017 complies with the Banking (Disclosure) Rules (the "Rules") and the additional guidance that aims to assist Authorized Institutions with their preparation of the financial disclosures in accordance with the requirements of the Rules and is not false or misleading in any material respect.



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David Abitbol  
CHIEF EXECUTIVE



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Joanne Lam Hoi Yin  
CHIEF ACCOUNTANT

19 September 2017

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