

January 17, 2012

### Research Update:

## Societe Anonyme de Gestion de Stocks de Securite Lowered To 'AA+' Following Similar Action On France; Outlook Negative

#### Primary Credit Analyst:

Christophe Dore, Paris (33) 1-4420-6665;christophe\_dore@standardandpoors.com

#### Secondary Contact:

Mehdi Fadli, Paris (33) 1 44 20 67 06;mehdi\_fadli@standardandpoors.com

### Table Of Contents

---

Overview

Rating Action

Rationale

Outlook

Related Criteria And Research

Ratings List

## Research Update:

# Societe Anonyme de Gestion de Stocks de Securite Lowered To 'AA+' Following Similar Action On France; Outlook Negative

## Overview

- We lowered to 'AA+' from 'AAA' our unsolicited long-term sovereign credit ratings on the Republic of France on Jan. 13, 2012.
- We equalize our long-term credit ratings on France's strategic oil reserves manager Société Anonyme de Gestion de Stocks de Sécurité (SAGESS) with that on the Republic of France to reflect our opinion that there is an "almost certain" likelihood that SAGESS would receive timely and sufficient extraordinary support from the French government if needed.
- Consequently, we are lowering to 'AA+' from 'AAA' our long-term issuer credit ratings on SAGESS and removing them from CreditWatch negative. We are also affirming our 'A-1+' short-term issuer credit rating on SAGESS.
- The negative outlook on SAGESS reflects that on the Republic of France.

## Rating Action

On Jan. 17, 2012, Standard & Poor's Ratings Services lowered its long-term issuer credit ratings on France's strategic oil reserves manager Société Anonyme de Gestion de Stocks de Sécurité (SAGESS) to 'AA+' from 'AAA'. At the same time, we removed the ratings from CreditWatch with negative implications, where they were placed on Dec. 7, 2011. We also affirmed the 'A-1+' short-term issuer credit rating on SAGESS. The outlook is negative.

## Rationale

The downgrade of SAGESS reflects a similar action on the Republic of France (AA+/Negative/A-1+, unsolicited ratings) on Jan. 13, 2012.

We consider SAGESS to be a government-related entity (GRE). In accordance with our criteria for GREs, we believe that there is an "almost certain" likelihood that SAGESS would receive timely and sufficient extraordinary support from the French government in the event of financial distress. As a result, we equalize the long-term issuer credit ratings on SAGESS with those on the Republic of France.

Our opinion of an "almost certain" likelihood of government support reflects our view that SAGESS:

- Plays a "critical" role for the French government through its public policy mandate; and

- Has an "integral" link with the French government.

## Outlook

The negative outlook reflects that on the Republic of France.

## Related Criteria And Research

- Rating Government-Related Entities: Methodology And Assumptions, Dec. 9, 2010
- France's Unsolicited Long-Term Ratings Lowered To 'AA+'; Outlook Negative, Jan. 13, 2012

## Ratings List

Ratings Affirmed; CreditWatch Action

	To	From
Société Anonyme de Gestion de Stocks de Sécurité		
Issuer Credit Rating	AA+/Negative/A-1+	AAA/Watch Neg/A-1+
Senior Unsecured Debt	AA+	AAA/Watch Neg

Ratings Affirmed

Société Anonyme de Gestion de Stocks de Sécurité		
Commercial Paper	A-1+	A-1+

### Additional Contact:

International Public Finance Ratings Europe;PublicFinanceEurope@standardandpoors.com

Complete ratings information is available to subscribers of RatingsDirect on the Global Credit Portal at [www.globalcreditportal.com](http://www.globalcreditportal.com). All ratings affected by this rating action can be found on Standard & Poor's public Web site at [www.standardandpoors.com](http://www.standardandpoors.com). Use the Ratings search box located in the left column. Alternatively, call one of the following Standard & Poor's numbers: Client Support Europe (44) 20-7176-7176; London Press Office (44) 20-7176-3605; Paris (33) 1-4420-6708; Frankfurt (49) 69-33-999-225; Stockholm (46) 8-440-5914; or Moscow 7 (495) 783-4009.

Copyright © 2012 by Standard & Poors Financial Services LLC (S&P), a subsidiary of The McGraw-Hill Companies, Inc. All rights reserved.

No content (including ratings, credit-related analyses and data, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of S&P. The Content shall not be used for any unlawful or unauthorized purposes. S&P, its affiliates, and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions, regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold, or sell any securities or to make any investment decisions. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P's opinions and analyses do not address the suitability of any security. S&P does not act as a fiduciary or an investment advisor. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, [www.standardandpoors.com](http://www.standardandpoors.com) (free of charge), and [www.ratingsdirect.com](http://www.ratingsdirect.com) and [www.globalcreditportal.com](http://www.globalcreditportal.com) (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at [www.standardandpoors.com/usratingsfees](http://www.standardandpoors.com/usratingsfees).