

PRESS RELEASE

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LYXOR LAUNCHES ETF QUALITY CHARTER FOR CLIENTS

The ETF Quality Charter sets Lyxor's commitments in terms of transparency, efficiency and liquidity to investors.

The Lyxor ETF Charter addresses the important aspects of ETF investing and goes above and beyond some requirements of the European UCITS directive. This charter consists of detailed commitments regarding asset management quality, index tracking, transparency, counterparty risk and trading on the primary and secondary markets.

Lyxor ETFs have always been transparent investment products, but now the firm goes one step further by committing to a series of quality indicators on key areas to all investors.

Transparency:

Lyxor publishes daily key information such as fund assets, the level of counterparty risk and details of the respective derivatives counterparties.

Zero counterparty risk target:

Lyxor has set a daily target of zero counterparty risk for each Lyxor ETF, well below the 10% maximum allowed under UCITS regulations.

Direct Index Tracking:

Tracking error, which aims to be below 100 basis points (1 percent) at any time, is published for each ETF

Asset management quality:

Physical Assets held by Lyxor ETFs are in the form of securities that are not lent to third parties. All such securities are held in segregated accounts solely for the benefit of the respective fund.

Primary and secondary market liquidity:

Lyxor focuses on primary and secondary markets separately. Lyxor and Societe Generale Corporate & Investment Banking commit to use multiple Authorised Participants¹ (APs) and multiple market

¹ Authorized participants "Major financial institutions, known as Authorised Participants, can create ETF units in one of two ways. The Authorised Participant can:

- a) Deposit a basket of stocks with the ETF provider (Lyxor AM) in exchange for an institutional block of Lyxor ETF units, known as creation units. This is commonly known as "in specie creation". Or
- b) Deliver cash to the ETF provider in exchange for a creation unit. This process is usually referred to as "cash creation"

Conversely, to redeem ETF units, an Authorised Participant can deliver the ETF to the ETF provider and receive either the underlying stocks or cash

makers – there are currently more than 45 APs working with Lyxor and Societe Generale Corporate & Investment Banking and on-exchange liquidity is provided by 15 market makers. In addition, Lyxor offers a full transparency on creation and redemption costs which are available for APs at all times.

Trading quality in secondary markets is supported by multiple stock exchange listings, and the provision of continuous pricing. Clients can choose where and with whom they want to trade. Lyxor is one of the pioneers in the European ETF industry, having offered its first ETF in 2001. At the end of September 2011 Lyxor, manages approximately EUR 29 billion of ETFs. Lyxor is the third largest ETF provider in Europe with a 16 percent market share (Source: Bloomberg). Its market share in on-exchange trades amounts to 25 percent (Source: Bloomberg), showing the above-average liquidity of Lyxor ETFs. Lyxor's comprehensive range of 224 ETFs covers 155 indexes in all asset classes.

Full details of the Lyxor Customer Charter can be found in the accompanying factsheet

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Societe Generale

Societe Generale is one of the largest European financial services groups. Based on a diversified universal banking model, the Group combines financial solidity with a strategy of sustainable growth, and aims to be the reference for relationship banking, recognised on its markets, close to clients, chosen for the quality and commitment of its teams.

Its 157,000 employees* based in 85 countries accompany more than 33 million clients throughout the world on a daily basis. Societe Generale' teams offer advice and services to individual, corporate and institutional customers in three core businesses:

- Retail banking in France with the Societe Generale branch network, Credit du Nord and Boursorama
- International retail banking, with a presence in Central and Eastern Europe and Russia, in the Mediterranean basin, in Sub-Saharan Africa, in Asia and in the French Overseas Territories
- Corporate and investment banking with a global expertise in investment banking, financing and global markets.

Societe Generale is also a significant player in specialised financing and insurance, private banking, asset management and securities services.

Societe Generale is included in the international socially-responsible investment indices: FTSE4good and ASPI.
www.societegenerale.com

* including employees of Societe Marseillaise de Credit acquired in September 2010 by Credit du Nord

Lyxor Asset Management - www.lyxor.com

Created in 1998, Lyxor Asset Management currently manages EUR 81.9 billion*. A wholly-owned subsidiary of Societe Generale Group, belonging to the Corporate and Investment Banking arm of the group, the asset management company specializes in three businesses:

- **Alternative Investments:** Lyxor offers a broad range of hedge funds, funds of hedge funds and absolute return funds, adhering to high risk-management standards and rigorous hedge fund manager selection guidelines. Lyxor

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gained its prominence with its hedge fund platform. This platform includes more than 100 hedge funds covering all principal strategies and represents a diversified investment universe benefiting from a high level of transparency, security and liquidity.

- **Structured and Quantitative Management:** Lyxor offers investment solutions to its customers adapted to their risk profiles and return objectives. These solutions integrate the innovations of the Group into this domain, world number 1 as regards structured products on equity.

- **Index Tracking:** Lyxor offers one of the most diversified and liquid range of ETF (Exchange Traded Funds). The company is one of the top players of the European ETF industry. Lyxor ETFs are listed in Europe and Asia and reflect Equity, Bond and Commodity markets. www.lyxoretf.com

*AUMs as of August 31st, 2011

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The products described within this document are not suitable for everyone. Investors' capital is at risk. Investors should not deal in these products unless they understand their nature and the extent of their exposure to risk. The value of the products can go down as well as up and can be subject to volatility due to factors such as price changes in the underlying instrument and interest rates.

Prior to any investment in these products, investors should make their own appraisal of the risks from a financial, legal and tax perspective, without relying exclusively on the information provided by us. We recommend that investors consult their own independent professional advisors.

The securities can be neither offered nor transferred in the United States.

The Lyxor ETFs referred to in this document are open-ended mutual investment funds established under French Law and approved by the Autorité des Marchés Financiers (the French Financial Markets Authority). The funds are UCITS compliant and are recognised under S.264 of the Financial Services and Markets Act 2000 and may be promoted to retail investors in the UK.

All gains on the sale of Lyxor ETFs shares and dividend distributions made by Lyxor ETFs may be subject to tax on the basis of applicable tax regulations. Investors must seek their own tax advice for any further information.

The ETF may be denominated in a currency different to that of the index that it tracks, which means that exchange rate fluctuations could have a negative effect on returns.