



# Media Release

## SG ASSET MANAGEMENT LAUNCHES GUARANTEED FUND OF HEDGE FUNDS FOR RETAIL INVESTORS IN SINGAPORE

***Main attractions of the SGAM Guaranteed Alternative Diversified Fund:***

- ***Multi-Manager, Multi-Style Fund of Hedge Funds underlying***
- ***Leverage up to 1.5 times***
- ***100% capital guaranteed***
- ***Annual Capital Payout***
- ***No entry fee***

***Singapore, 28 January 2002*** – SG Asset Management announces the launch of the “**SGAM Guaranteed Alternative Diversified Fund**” (“SGAM Guaranteed ADF”) from January 28 – March 7, 2003. The Fund is positioned as a breakthrough investment option that could potentially generate better returns for investors during uncertain times. SGAM Guaranteed ADF gives investors access to some of the world’s best hedge funds to ensure optimal returns, with the security of 100% capital guarantee at maturity, within a single investment instrument.

Market volatility and uncertainty have been a cause for confusion to most investors. Investors have become risk averse yet still seek positive return in spite of today’s global market environment. “SGAM Guaranteed ADF will allow investors to benefit not only from the flexibility and agility of hedge funds to generate positive returns in all market trends, but also up to 1.5 times leverage on their investment. A 100% capital guarantee provides the security on 100% of the investor’s investment,” said **Mr Mahendran Nathan**, Managing Director & Regional Head of Business Development and Marketing (Asia Pacific ex. Japan), SG Asset Management.

### **Breakthrough with SGAM Guaranteed ADF**

➤ **Multi-Manager, Multi-Style Fund of Hedge Funds**

The SGAM Guaranteed ADF invests in SGAM Alternative Diversified Fund («SGAM ADF»), a multi-style fund of hedge funds actively managed by SG Asset Management. Invested in hedge funds that are highly diversified in terms of strategies, management styles and geographic regions, SGAM ADF is a single instrument that enables investors access to some of the best hedge funds to obtain optimal returns, while managing volatility under different market environments.

➤ **Leverage up to 1.5 times**

To add to the excitement, investors’ potential returns can now be higher with SGAM Guaranteed ADF. For every dollar invested, investors can have exposure of up to 1.5 times into some of the world’s best hedge funds.

➤ **100% Capital-Guaranteed**

While returns to investors are potentially maximised with the use of the leverage position in the SGAM Guaranteed ADF, 100% of the investors’ capital is also guaranteed. With the capital guarantee at maturity, the fund safeguards the



investor's capital and still allows the investors to enjoy absolute returns from underlying hedge fund investments.

The capital guarantee for the SGAM Guaranteed ADF is provided by Societe Generale, AA- rated by Standard and Poors.

➤ **Annual Capital Payout**

Over and above the 100% capital guarantee, investors can enjoy liquidity throughout the investment tenure with potential annual capital payouts of up to 3% per annum.

➤ **No Entry Fee**

Investors can now invest into the SGAM Guaranteed ADF and gain access to SG Asset Management's investment expertise and a large range of the world's best hedge funds with no entry fee.

According to Ms Cheong Whee Leng, Senior Vice President and Head of Institutional & Retail Fund Distribution (Singapore), SG Asset Management, "Fund of hedge funds is one of the newest breakthrough investment vehicles which will allow investors to enjoy:

- **High Potential Returns** as fund of hedge funds will not be directly affected by the rise and dip of global markets thus resulting in higher potential returns and lower volatility as compared to other leading indices.
- **High Diversification** by investment in hedge funds of different strategies, styles and regions.
- **High Convenience** as investors need only to monitor one investment vehicle.
- **Low Correlation** to global leading markets
- **Low Cost** for investors to gain access to leading hedge fund managers which mostly require large minimum investments.

The SGAM Guaranteed ADF will be distributed by ABN Amro Bank, Citibank, RHB Bank and Standard Chartered Bank. Minimum investment is S\$1,000.

**For more information, please contact :**

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**Fund Details**

Currency Base	Singapore Dollars
Underlying Investment	1) SGAM Alternative Diversified Fund - Luxembourg-registered fund (investing into institutional shares) 2) Fixed Income (min. single-A rated) and money-market funds and instruments
Capital Guarantee	100% applicable at maturity
Annual Capital Payout	Variable, at the discretion of the Manager but subject to a cap of not more than 3% of Initial Offer Price per annum
Investment Horizon	7 years
Front-End fee	Nil
Management Fee	1.0% per annum deducted monthly from the Fund, with an additional 3% to be charged upfront at inception and amortized over the first 3 years of the Fund
Deferred Realisation Charge	In the 1 <sup>st</sup> year - 3% In the 2 <sup>nd</sup> year - 2% In the 3 <sup>rd</sup> year - 1% From 4 <sup>th</sup> year to maturity - 0%
Trustee	Dexia Trust Services
Liquidity	Monthly <sup>2</sup>
Fund Manager	SG Asset Management (Singapore) Ltd
Sub-Manager	SG Structured Asset Management, Paris
Guarantor	Société Générale (rating AA- by Standard and Poor's/Aa3 by Moody's)

Note: <sup>1</sup> Source: Europerformance database as of end June 2002. <sup>2</sup> Subject to prior notice to the Manager. Please refer to the Prospectus for details on redemption timeline.

Past performance and/or any forecast is not necessarily indicative of the future or likely performance of the SGAM Guaranteed Alternative Diversified Fund (the 'Fund'). The value of the units and income from the Fund may fall as well rise.

SGAM Guaranteed Alternative Diversified Fund is a capital guaranteed fund of hedge funds. Investors should note that an investment in a fund of hedge funds carries risks of a different nature from other types of collective investment schemes which are "long only" funds investing in listed securities and do not engage in short selling. The Fund may not be suitable for persons who are averse to such risks. An investment in the Fund is not intended to be a complete investment programme for any investor and prospective investors should carefully consider whether an investment in the Fund is suitable for them in the light of their own circumstances, financial resources and entire investment programme.

All applications for the units of the Fund must be made on application forms accompanying the prospectus. Investors must read the prospectus for details and for other inherent risks of investing in the Fund. Please note that the guarantee will not apply in the event that the Fund is terminated in accordance with the Trust Deed prior to maturity date. The guarantee is issued by Societe Generale S.A. and is thus subject to its credit risk. The guarantee may also be terminated under certain circumstances in accordance with the trust deed constituting the Fund. Investments in the Fund are not bank deposits or obligations of, or guaranteed or insured by the Manager, or any subsidiaries or associated companies of



ASSET MANAGEMENT

the Manager or by the distributing banks or any of their affiliates or subsidiaries. Units are not available to US persons.

### **Note to the Editor:**

#### **Société Générale Group**

The Société Générale Group is one of the largest banks in the eurozone. The Group employs 80,000 people worldwide in three key businesses:

- - Retail Banking : Société Générale serves 13,4 million retail customers worldwide.
- - Asset Management & Private Banking : Société Générale ranks third in the eurozone in terms of assets under management (EUR 298 billion in 2001).
- - Corporate & Investment Banking : SG is the third largest bank in the eurozone based on net banking income.

Société Générale is included in the four major socially responsible investment indexes. [www.socgen.com](http://www.socgen.com)

#### **SG Asset Management**

SG Asset Management (SG AM), a wholly owned subsidiary of Societe Generale, manages over S\$400 billion of assets globally as of end Sept 2002 through its five investment centres: Paris, London, New York, Japan and Singapore. It is the FIRST international asset manager to receive aa+ rating from FITCH-AMR.

SG Asset Management is one of the world's leaders in Fund of Funds management with over USD 13 billion in assets under management (as of end August 2002). SG Asset Management has over 32 years of investment experience in balanced management and 6 years investment experience in Fund of Fund management. SG Asset Management has captured a significant market share with it being #1 in France with a market share of 23% (as of end June 2002).

SG Asset Management (Singapore) Ltd is the head office for the Asia Pacific ex-Japan region, and has been managing dedicated and retail mandates for global clients for more than 12 years. As one of the 25 CPF-approved Fund Managers in Singapore, SG AM Singapore has more than SGD 4bn in managed assets as of end Sept 2002.