

- Press release -

Paris, 8 August 2008

The Lyxor Hedge Fund Index was down -2.67% in July

The Lyxor Hedge Fund Index was down -2.67% in July. Year-to-date performance* as of July 31, 2008 is down -1.35%.

The thematic Lyxor Emerging Market Index is down -3.80% in July.

The 'Lyxor Hedge Indices' are investable, asset-weighted hedge fund indices. They are based on Lyxor's hedge fund platform that covers all the major hedge fund strategies and benefits from a high level of transparency and risk control, while ensuring weekly liquidity.

Lyxor Hedge Fund Indices	Bloomberg Ticker	July 2008 Performance*	YtD Performance*
Global Index			
Lyxor Hedge Fund Index	LYXRHFI	-2.67%	-1.35%
Strategy Indices			
Lyxor L/S Equity Variable Bias Index	LYXRLSVR	-3.69%	-2.48%
Lyxor L/S Equity Long Bias Index	LYXRLSLB	-3.25%	-10.17%
Lyxor L/S Equity Short Bias Index	LYXRLSSB	0.94%	13.35%
Lyxor L/S Equity Market Neutral Index	LYXRSMN	0.04%	0.51%
Lyxor L/S Equity Statistical Arbitrage Index	LYXRSTAT	-0.84%	3.51%
Lyxor Special Situations Index	LYXRSPEC	-4.17%	-2.12%
Lyxor Merger Arbitrage Index	LYXRMNA	-0.22%	1.65%
Lyxor Distressed Securities Index	LYXRDIST	-1.35%	-6.33%
Lyxor Convertible Bonds Arbitrage Index	LYXRBCB	-1.25%	-2.14%
Lyxor Fixed Income Arbitrage Index	LYXRFIAR	-0.75%	-12.46%
Lyxor L/S Credit Arbitrage Index	LYXRCDRT	-3.18%	-6.18%
Lyxor Global Macro Index	LYXRMACR	-3.27%	2.34%
Lyxor CTA Long Term Index	LYXRCTAL	-4.74%	10.40%
Lyxor CTA Short Term Index	LYXRCTAS	-2.13%	1.34%
Thematic Index			
Lyxor Emerging Markets Index	LYXREMER	-3.80%	-11.65%

(*) MTD returns are based on performance from the last estimated NAV of the previous month until the last estimated NAV of the reported month. YTD returns are from December 31, 2007 through July 31, 2008.

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LYXOR ASSET MANAGEMENT
Société Anonyme with share capital of
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Below is a brief description of the Lyxor Hedge Fund Strategy Indices:

Special Situations is a strategy that encompasses a combination of investment processes targeting equities or bonds whose valuation is altered by a special situation such as spin-offs, industry consolidations, liquidations, reorganizations, share buybacks and other extraordinary corporate transactions that generate investment opportunities.

Merger Arbitrage is a strategy that primarily consists of investing in equities involved in merger/acquisition operations and aims to take advantage of the spread between the price bid for the takeover and the price observed in the market.

Distressed Securities is a strategy that consists of investing in (or selling short) securities of companies for which the price has been, or is expected to be, affected by a distressed situation (e.g., pre- or post- bankruptcy).

Convertible Bonds and Volatility Arbitrage are strategies that aim to take advantage of volatility arbitrage opportunities by investing in various financial instruments. Convertible Bonds funds primarily invest in convertible bonds and discretionarily hedge some of the underlying risk factors (interest rate risk, credit risk, market risk) in order to gain exposure to volatility and/or credit risk at a very attractive price.

Fixed Income Arbitrage is a strategy that aims to take advantage of pricing anomalies between fixed income securities, sectors, markets and yield curves.

L/S Credit Arbitrage strategy is a directional strategy that involves buying bonds and credit and fixed income derivative instruments that are expected to appreciate and selling the ones that are expected to depreciate.

Global Macro is a strategy that aims to take advantage of expected macroeconomic trends and may invest in all types of markets and instruments.

CTAs Long Term is a strategy that aims to capture price movements in fixed income, equity, currency and commodity markets with the use of systematic trading models.

CTAs Short Term is a strategy that aims to capture short term price movements in fixed income, equity, currency and commodity market with the use of systematic trading models.

L/S Equity Variable Bias is a directional strategy that primarily involves buying equities and equity derivatives that are expected to appreciate and selling those that are expected to depreciate. The portfolio's net exposure to the market (possibly net long, net short or market neutral) will be actively managed depending on the manager's expectations.

L/S Equity Long Bias is a directional strategy that primarily involves buying equities and equity derivatives that are expected to appreciate and selling those that are expected to depreciate, while structurally maintaining a net long exposure to the equity market.

L/S Equity Short Bias is a directional strategy that primarily involves buying equities and equity derivatives that are expected to appreciate and selling those that are expected to depreciate while structurally maintaining a net short exposure to the equity market.

L/S Equity Market Neutral is a strategy that primarily involves buying equities and equity derivatives that are expected to appreciate and selling those that are expected to depreciate while generally neutralizing broad equity market risks.

L/S Equity Statistical Arbitrage is a strategy that primarily consists of investing in some equities and selling short other equities. The security selection approach is typically based on quantitative analysis of either fundamentals, prices, or a combination of the two. This strategy typically seeks to offer limited exposure to equity market risks.

Each index is reviewed and rebalanced on a monthly basis in line with investment guidelines and reflecting the evolution of assets under management and liquidity constraints. Owned by Société Générale Index, the indices are calculated and published on a daily basis by Standard and Poors on Bloomberg and Reuters.

A dedicated website www.lyxorhedgeindices.com provides monthly factsheets, valuations, performance and methodology and performance analyses.

Société Générale

Société Générale is one of the largest financial services groups in the euro-zone. The Group employs 151,000 people worldwide in three key businesses:

- Retail Banking & Financial Services: Société Générale serves 30 million individual customers worldwide.
- Global Investment Management & Services: Société Générale is one of the largest banks in the euro-zone in terms of assets under custody (EUR 2 731 billion, Mar. 2008) and under management (EUR 391 billion, March. 2008).
- Corporate & Investment Banking: Société Générale ranks among the leading banks worldwide in euro capital markets, derivatives and structured finance.

Société Générale is included in the five major socially-responsible investment indexes.

www.socgen.com

Société Générale **Index** (SGI) is a leading index provider part of the Société Générale group. SGI is closely linked to the Global Equities and Derivatives Solutions division, which has been recognised as a global leader in equity derivatives for many years.

The SGI offer is organised around two main ranges of indices, each addressing a specific need either in terms of portfolio diversification or alpha generation. Furthermore, SGI indices can ultimately be combined in more sophisticated core-satellite strategies to extract the added value of both spheres.

- α -research indices seek to deliver an excess return over traditional indices by reflecting the evolution of strategies based on systematic or discretionary investment processes.
- β -research indices aim to provide an exposure to new investment themes, alternative markets and asset classes

Lyxor Asset Management - www.lyxor.com

Created in 1998, Lyxor AM currently manages EUR 72.60 billion. A wholly-owned subsidiary of Société Générale Group, belonging to the Corporate and Investment Banking arm of the group, the asset management company specializes in three businesses:

- **Alternative Investments (EUR 25.40 billion)**. Lyxor AM 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 AM gained its prominence with its hedge fund platform. This platform includes more than 170 hedge funds covering all principal strategies and represents a diversified investment universe benefiting from a high level of transparency, security and liquidity.
- **Structured Management (EUR 20.20 billion)**. Lyxor AM 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 (EUR 27.80 billion)**. Lyxor AM 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.