

Press release

Frankfurt, 28.06.2006

Focus on Germany: Lyxor AM launches product offensive

Lyxor Asset Management, a fully owned subsidiary of Société Générale, is starting a marketing campaign in Germany. By the end of 2006, the investment company intends to increase its product range in the German market from 17 Exchange Traded Funds (ETFs) at present to around 50. Since the beginning of the year, the number of Lyxor ETFs listed in Germany has nearly trebled from 6 to 17. Thomas Meyer zu Drewer, head of Lyxor ETF in Germany, says: "The driving force behind our entry into the German market is innovation." The marketing campaign is launching three Lyxor ETFs listed on the DAX: Lyxor ETF DAX, Lyxor ETF LevDAX and Lyxor ETF DAXplus Covered Call.

The Lyxor ETF LevDAX and Lyxor ETF DAXplus Covered Call are the first Exchange Traded Funds in Germany that allow investors to be able to invest in the two DAX strategy indices LevDAX and DAXplus Covered Calls. While the DAX contains the 30 most liquid and biggest blue chips of the prime standard segment, the LevDAX and the DAXplus Covered Call reflect the price movement with a leverage effect or a risk buffer of these 30 standard securities respectively.

The LevDAX tracks the development of the DAX with a leverage effect. This makes products based on this index particularly suitable for investors looking for a high return, and hoping to outperform the DAX, who are subsequently prepared to take on more risk.

Conversely, more risk-oriented investors are able to invest in the ETF DAXplus Covered Call. The index combines a long DAX investment with selling a call option. The advantage of selling the option allows a risk floats, compared to a direct investment in the DAX itself. Meyer zu Drewer emphasizes: "The new Lyxor ETFs allow investors a unique opportunity of investing simply and efficiently in the new DAX indices."

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LYXOR ASSET MANAGEMENT
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von € 1 200 000 zum 30.05.2005

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APE No.: 652E

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With the three new Lyxor ETFs based on the DAX indices, Lyxor AM is emphasizing the significance of the German market. Meyer zu Drewer says: "Germany is currently one of the most exciting markets for us because in addition to institutional investors, private investors are increasingly recognizing the numerous advantages and potential applications of Exchange Traded Funds." Therefore, the head of Lyxor ETF Germany is relying on future growth in exchange-traded index funds. ETFs facilitate the diversification of an investment portfolio with just one transaction. The liquidity of this asset class guarantees a direct and instant response in fast-changing markets. As funds invested in Lyxor ETFs are treated as special assets in legal terms, investors are not exposed to any sort of issuers' risk. This is particularly important for long-term investors.

Lyxor is anticipating continuously high growth rates for the European ETF market. Thomas Meyer zu Drewer explains: "We believe in an annual increase of between 20 and 30 percent being very realistic." By the end of 2006, the volume of assets under management in Lyxor ETFs alone should have risen by around 40 percent to EUR 15 billion compared to the previous year.

Lyxor AM has been offering Exchange Traded Funds since 2001. With a market share of more than 23 percent, the investment firm is one of the major players in the European ETF market today. "We now intend to employ the expertise that made us a leader in Europe to Germany", says Thomas Meyer zu Drewer. With the launch of further new Lyxor ETFs both institutional and private investors can expect innovative ETF concepts.

Overview of the three new Lyxor ETFs launched on the DAX:

Lyxor ETF	WKN	ISIN	Currency traded	Dividends	Annual admin fee.
Lyxor ETF DAX	LYX0AC	LU0252633754	EUR	Notionally reinvested	0.15 %
Lyxor ETF LevDAX	LYX0AD	LU0252634307	EUR	Notionally reinvested	0.40 %
Lyxor ETF Daxplus Covered Call	LYX0AE	LU0252635023	EUR	Notionally reinvested	0.40 %

For more information, check out our website under: www.LyxorETF.de.

Société Générale

Société Générale is one of the largest financial services groups in the euro-zone. The Group employs more than 103,000 people worldwide in three key businesses:

- Retail Banking & Financial Services: Société Générale serves more than 19,8 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 1,521 billion, March 2006) and under management (EUR 402 billion, March 2006).
- 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 Corporate & Investment Banking

Present in over 45 countries across Europe, the Americas and Asia, Société Générale Corporate & Investment Banking is a reference bank specialising in:

- Euro capital markets. A top ten player in debt and equity segments (bonds, securitisations, syndicated loans, equity-linked and equity issues).
- Derivatives. Among the world leaders in equity derivatives and in many interest rate, credit, foreign exchange and commodities derivatives.
- Structured finance. A worldwide leader in export, project and structured commodity finance.

Combining innovation and quality of execution, Société Générale Corporate & Investment Banking provides corporates, financial institutions and investors with value-added integrated financial solutions. www.sgcib.com

Lyxor AM

Lyxor AM manages EUR 55 billion. A wholly-owned subsidiary of Société Générale, belonging to the Corporate and Investment Banking arm of the group, the asset management company specializes in three businesses:

- Structured Alternative Investments (EUR 23.3 billion). A specialist in risk-management and hedge fund manager selection, Lyxor AM has investments in several hundred hedge funds across all strategies, in addition to its Managed Account Platform offering independent valuation and weekly liquidity.
- Structured Funds (EUR 16.8 billion). Lyxor AM benefits from the expertise and innovation of the Equity Derivatives department of Société Générale Corporate and Investment Banking, to offer adapted investment solutions to fit investors' risk profile and return objectives.
- Index Tracking (EUR 14.7 billion). The company ranks number one in the European ETF industry with a 23.6% market share as at end of December 2005. www.lyxoretf.com.

Lyxor AM credentials: "Asset Manager of the Year" (AsiaRisk 2004), "Best Investment Platform" (Hedge Funds Review 2005) and "Best Managed Account Platform" (Albourne Partners Ltd. 2004). www.lyxor.com.

