

- Press release -

Paris, February 14th 2011

**The Lyxor Hedge Fund Index records a positive performance of 1.30% in January 2012**

The Lyxor Hedge Fund Index was up 1.30 % in January.

The top performing strategies over the month were Lyxor Special Situations Index (+3.60%), Lyxor L/S Equity Long Bias Index (+3.00%) and Lyxor Fixed Income Index (+2.56%).

The Lyxor Hedge Indices are investable, asset-weighted indices, designed to offer investors straightforward access to hedge fund performance. The indices are based on Lyxor's managed account platform that covers all the major hedge fund strategies and benefits from a high level of transparency and risk control, while ensuring weekly liquidity. The Lyxor Hedge Fund Index range comprises 16 indices ranging from global to mono-strategy or thematic indices. The Lyxor Hedge Fund Index (Global Index) reflects the average performance of all 14 strategy indices, thereby offering direct exposure to the global hedge fund universe.

Lyxor Hedge Fund Indices	Bloomberg Ticker	January 2012 Performance*	YTD Performance*
<b>Global Index</b>			
Lyxor Hedge Fund Index	LYXRHFI	1.30%	1.30%
<b>Strategy Indices</b>			
Lyxor L/S Equity Long Bias Index	LYRRLSLB	3.00%	3.00%
Lyxor L/S Equity Market Neutral Index	LYRRLSMN	-0.37%	-0.37%
Lyxor L/S Equity Short Bias Index	LYRRLSSB	-4.17%	-4.17%
Lyxor L/S Equity Statistical Arbitrage Index	LYXRSTAT	0.21%	0.21%
Lyxor L/S Equity Variable Bias Index	LYRRLSVR	1.16%	1.16%
Lyxor Convertible Bonds & Volatility Arbitrage Index	LYXRCB	2.17%	2.17%
Lyxor Distressed Securities Index	LYXRDIST	1.42%	1.42%
Lyxor Merger Arbitrage Index	LYXRMNA	1.14%	1.14%
Lyxor Special Situations Index	LYXRSPEC	3.60%	3.60%
Lyxor L/S Credit Arbitrage Index	LYXRCDRT	2.14%	2.14%
Lyxor Fixed Income Arbitrage Index	LYXRFIAR	2.56%	2.56%
Lyxor CTA Long Term Index	LYXRCTAL	0.35%	0.35%
Lyxor CTA Short Term Index	LYXRCTAS	-0.88%	-0.88%
Lyxor Global Macro Index	LYXRMACR	1.28%	1.28%
<b>Thematic Index</b>			
Lyxor Credit Strategies Index	LYXRCDTS	2.31%	2.31%

(\*) 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 30<sup>th</sup>, 2011 through January 31<sup>st</sup> 2012. Detailed performance analysis may be found in the attached appendix.

PRESS RELATIONS  
LYXOR ASSET MANAGEMENT

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LYXOR ASSET MANAGEMENT  
Société Anonyme with share capital of  
€ 161 106 300 as of 16-06-2010

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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.

### **Below is a brief description of the Lyxor Hedge Fund Thematic Indices:**

**Lyxor Credit Strategies Index** aims to measure the performance of hedge funds following any type of credit and fixed income related strategies : take advantage of pricing anomalies between fixed income securities, sector, market and yield curves, buying bonds or credit or fixed income derivative instruments that are expected to appreciate and selling the ones that are expected to depreciate.

Each index is reviewed and rebalanced on a monthly basis in line with investment guidelines, the evolution of assets under management and the 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](http://www.lyxorhedgeindices.com) provides monthly factsheets, valuations, performance and methodology and performance analyse

## **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](http://www.societegenerale.com)

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

**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.

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

## **Lyxor Asset Management - [www.lyxor.com](http://www.lyxor.com)**

Lyxor Asset Management, subsidiary of Societe Generale Group, is a specialised provider of advanced investment solutions. We focus on offering innovative sources of performance anchored on research and risk management, with a maximum of safety, liquidity and transparency, adapted to our clients' needs and risk/return profile.

With over EUR 73.6 billion in assets under management\*, Lyxor has established itself as a global player in four major growing investment specialties: alternative investments, index tracking (ETFs), quantitative investments and structured solutions. More than a decade of experience provided Lyxor with an in-depth knowledge and insights into asset allocation strategy and research.

Employing more than 600 professionals, Lyxor is present in every strategic investment locations in the world.

\*AUMs as of December 31<sup>st</sup>, 2011