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Lyxor launches alternative energy and water ETFs

Lyxor Asset Management (Lyxor), Société Générale's wholly-owned subsidiary and a European leader in Exchange Traded Funds (ETFs), today announces the launch of two new ETFs, one investing in water and the other in new energy.

Lyxor ETF New Energy (GBP) – LSE Code: LNEW

This is linked to the World Alternative Energy Index_{CW}. This is a market cap weighted benchmark with a cap at 10% that includes 20 stocks active in the alternative energy area. This includes:

- **Renewable energy:** Solar, wind and biomass.
- **Energy efficiency:** Better use of energy generation, which involves industries such as energy meters and supraconductors.
- **Decentralised energy supply:** Power generation in close proximity to the consumer, involving microturbines and fuel cells.

In 2007, the World Alternative Energy Index_{CW} grew by 52.52%, and its rolling three year growth is 146.85%. The Lyxor ETF New Energy (GBP) has a total expense ratio (TER) of 0.60% p.a.

Lyxor ETF World Water (GBP) – LSE Code: LWAT

This ETF is linked to the World Water Index_{CW}, which is cap-weighted and includes 20 stocks active in three key areas of water:

- **Water infrastructure:** Suppliers of pipes, pumps, valves and meters as well as various consulting firms.
- **Water treatment:** Suppliers of products and technology for the disinfection, filtration and desalination of water.
- **Water utilities:** Water suppliers and waste water treatment companies operate facilities and networks to safeguard the global water economy.

Stocks are weighted by a market capitalisation factor but in order to maintain an effective diversification, no stock can weight more than 10% (i.e. no stock can weight more than 10% in the benchmark). The Index is revised every six months and rebalanced every quarter.

Between 5th June 2006, which was when the World Water Index_{CW} was launched, and 29th February 2008, the index grew by 4.28%. The Lyxor ETF World Water (GBP) has a total expense ratio (TER) of 0.60% p.a.

All of Lyxor's new LSE-listed ETFs are also available in USD.

Both the WAEX_{CW} and the WOWAX_{CW} are compiled by Sustainable Asset Management (SAM) and calculated by Dow Jones Indexes. The indices are rebalanced every quarter and an index component review takes place every six months.

ENDS

Press contacts:

Lyxor Asset Management
Daniel Draper
Tel: +44 (0)207 762 5581
Email: daniel.draper@sgcib.com

Citigate Dewe Rogerson
Phil Anderson, Jessica Stacey, Marisa Elliott, Stephen Sheppard
Tel: +44 (0)207 638 9571
Email: phil.anderson@citigatedr.co.uk; laura.mugford@citigatedr.co.uk;
marisa.elliott@citigatedr.co.uk; stephen.sheppard@citigatedr.co.uk;

Notes to editors:

Lyxor ETFs are index-tracking funds that can be bought or sold like ordinary shares on the stock exchange. They track the performance of a given index and combine the simplicity and liquidity of shares with the diversification benefits of a traditional collective investment scheme.

Lyxor's ETFs offer the following advantages to investors:

- Low annual management expenses - typically well below 1% per annum
- Multiple broker-dealer platform to maximise liquidity.

Lyxor is a leader in the European ETF market with EUR 22.8 billion in assets (as at 30/01/087), and a European market share as at January 08 of 31.7%. It offers a comprehensive range of ETFs on equity, bond, commodity, and sector indices listed on the seven major European Stock Exchanges. Lyxor recently expanded into Asia with the launch of six ETFs in Singapore and six in Hong Kong.

Lyxor Asset Management - www.lyxor.com

Lyxor AM - Created in 1998, Lyxor AM currently manages EUR 72.1 billion (January 2008)). 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:

- *Alternative Investments* (EUR 25.6 billion). Lyxor AM offers a broad range of hedge funds and funds of hedge funds and adheres 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 and security. Lyxor AM is regularly rewarded for the quality and the diversity of its platform: "Best Investment Platform" (Hedge Funds Review 2005) and "Best Managed Account Platform" (Albourne Partners Ltd. 2004 and 2006).

- *Structured Funds* (EUR 20.51 billion). Lyxor AM benefits from the expertise and innovation of the Equity Derivatives department of SG CIB to offer adapted investment solutions to fit investors' risk profile and return objectives. SG CIB has been awarded Equity Derivatives House of the Year by The Banker (Financial Times) 2004-2005-2006, IFR 2004-2005, Risk magazine 2005-2006, Structured Products 2005-2006, Global Finance 2006, Asia Risk 2005, The Assets 2005.
- *Index Tracking* (EUR 25.9 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 with more than EUR 22.8 billion under management. Lyxor ETFs are listed in Europe and Asia and reflect Equity, Bond and Commodity markets. www.lyxoretf.com.

Source: Lyxor AM as at 31/01/08

Sustainable Asset Management

Sustainable Asset Management (SAM) was established in 1995 as an independent asset management company focusing on sustainability investment. It is widely recognized as one of the leading investment professionals in that field. SAM monitors the entire investment universe and is responsible for the composition of indexes.

Dow Jones Indexes

Dow Jones Indexes undertakes the daily calculation of the WAEXcw and WOWAXcw indices and provides all relevant data for index adjustments.