



PRESS RELEASE

Paris, July 4th 2005

Société Générale demonstrates its commitment to microfinance by investing in MicroCred (PlaNet Bank project)

As part of its commitment to microfinance, Société Générale is supporting the creation of MicroCred, (PlaNet Bank project) through the purchase of a EUR 3 million equity stake. MicroCred, an investment company based in Paris, will have a share capital of EUR 31.5 million.

MicroCred was launched by PlaNet Finance, an international non-governmental organisation that aims to promote microfinance¹ across the world.

With the backing of PlaNet Finance's international network and expertise, MicroCred aims to create or invest in 15 microfinance institutions (MFI) over the next five years, providing assistance to some 300,000 microentrepreneurs in the world's poorest regions. Société Générale will invest alongside PlaNet Finance, the International Finance Company (World Bank Group) and private investors, as well as bilateral and multilateral agencies.

This initiative meets the UN's objectives for the International Year of Microcredit, namely to increase long-term access to financial services and encourage innovations and partnerships that can extend the reach of microfinance. It also ties in with the UN's Millennium Development Goals to cut world poverty by half, notably by granting poor populations in the world's least developed countries access to financial services.

According to **Philippe Laget**, Head of social responsibility, innovation and quality management : *"This partnership, which illustrates our commitment to microfinance, should give us a clearer vision of the conditions for the development of microfinance in emerging countries, and help us to establish synergies with the local programmes run by our international subsidiaries"*.

Arnaud Ventura, CEO of PlaNet Finance, said *"The creation of MicroCred, one of the very first microfinance investment companies, completes PlaNet Finance's service offering for the microfinance sector. Société Générale's support through a partnership between public, private and non-governmental organisations, reflects the innovative nature of investment in microfinance and the*

¹ Microfinance is the provision of financial services to microentrepreneurs who do not have access to the traditional financial system. Microfinance institutions benefit from specific legal and tax conditions and often receive subsidies from international organisations.

concrete opportunities available for reconciling social efficiency and financial profitability in order to create sustainable forms of development”.

Société Générale has become a major player in the financing of certain MFI, providing specially adapted loans through its subsidiaries in Africa and the Mediterranean basin. In 2004, the Group granted loans totalling several tens of millions of euros. Société Générale also invests directly in the capital of certain MFI. On the strength of its recent experiences and the favourable feedback it has received, the Group has decided to step up its initiatives in microfinance.

One example of Société Générale's commitment to sustainable development was its signature of the Global Compact in 2003, under the aegis of the UN.

Société Générale is a member of the National Council for Sustainable Development and is rated by the main sustainable development agencies. It is a component stock of the four main socially responsible investment (SRI) indexes: DJ Sustainability Index World, DJ Sustainability Index STOXX, ASPI Eurozone and FTSE 4 Good.

PlaNNet Finance

PlaNNet Finance is an international non-governmental organisation that aims to alleviate poverty worldwide through the development of microfinance.

PlaNNet Finance supports microfinance institutions and promotes their growth by providing services that enable them to strengthen their technical capacities and increase their financial resources.

PlaNNet Finance operates in more than 60 countries and has permanent programmes and offices in 15 of these (Mexico, Brazil, Argentina, Morocco, Benin, Senegal, China, India, Japan, Italy, United States, United Arab Emirates, Portugal, United Kingdom, Spain, Belgium, France).

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Société Générale Group

Société Générale is one of the largest financial services groups in the euro-zone. The Group employs 92,000 people worldwide in three key businesses:

- Retail Banking & Financial Services: Société Générale serves more than 17 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 1,180 billion, March 2005) and under management (EUR 326 billion, March 2005).
- Corporate & Investment Banking: SG CIB ranks among the leading banks worldwide in euro capital markets, derivatives and structured finance.

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

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