



ASSET MANAGEMENT

Press Release

Paris, September 26, 2005

Société Générale consolidates its third party real estate management within SG AM Alternative Investments

Société Générale Group announces the transfer of its third party real estate asset management activities to the real estate division of **SG AM Alternative Investments**, which was founded in 2003. With 20 professionals and access to the whole of the SG Asset Management Group's expertise, the new unit manages EUR 500 million in real estate assets. It is thus in a position to provide a first-class offer within the framework of the reform of real estate mutual funds which are currently underway in France.

The new unit brings together SG AM Alternative Investments FCPR (French mutual fund) real estate activities (SG AM AI FCPR) and the GESTINVIM real estate investment management fund (SCPI), a subsidiary which had previously been part of SG Corporate & Investment Banking's real estate division.

With the successful launch of the first real estate FCPR in France, SG AM Alternative Investments has achieved its initial objective, which was to create an innovative and effective platform for real estate asset management activities. Over its first year of operation, SG AM AI FCPR Immobilier 1 posted a return of 14.62% net of taxes, a testament to the strength of the opportunistic real estate management model. Thanks to significant capital inflows achieved in Q2 2005, SGAM AI FCPR Immobilier 2 has acquired an investment capacity of EUR 200 million.

GESTINVIM manages an portfolio of assets of EUR 330 million, through SPCI funds distributed via the Société Générale and Crédit du Nord networks. Launched in May 2005, SCPI GENEENTREPRISE reflects the ambition of the Société Générale network to renew its real estate mutual funds investment offer. Through its expertise, GESTINVIM brings a new base of know-how to the unit in terms of 'buy and hold' real estate management.

"By bringing together its expertise in third party real estate management activities within SG Asset Management, Société Générale Group is underlining the importance it places on real estate products within its long-term savings offer for individuals. Located within SG AM Alternative Investments, these activities will benefit from the structuring and financial engineering capacities developed by a leading player in alternative investments," stated Alain Clot, CEO of SG Asset Management.

"The French real estate market is now an important and mature market which offers liquidity and transparency. The current economic climate offers a unique investment opportunity, with forecast returns on long-term savings of around 5%, with capital indexed to inflation," declared Quoc Giao Tran, director of SG AM Alternative Investments Real Estate Managers.

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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 about 18 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 1,275 billion, June 2005) and under management (EUR 353 billion, June 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.

www.socgen.com

SG Asset Management

SG Asset Management is one of the world's leading asset managers with 298 billion in assets under management as at 30th June 2005.

A subsidiary of the Société Générale Group, SG AM is a global player with a balanced and robust business model based on:

- its multi-center structure: 2,600 employees, including 600 managers and analysts, are located at the heart of the markets in Continental Europe and the United Kingdom, and in major centers (each with 600 employees) in the United States and Asia;
- a business that covers all asset classes: equities, fixed income, balanced, and alternative investment, where SG AM is among the leaders with €39.5 billion in assets under management;
- access to all types of investor: institutions, distributors, corporates and individuals, all of whom benefit from SG AM's leading-edge expertise and a local service.

Thanks to cross-selling (more than a third of net inflows at 30th June 2005) and a focus on quality and constant innovation, SG AM has developed value-added management solutions tailored to clients' specific needs and which optimize performance and control risk.

Since 2000, SG AM has been rated AM2+ by Fitch Ratings, the top rating awarded to an asset management company for the whole of its structure. For investors, this rating is a guarantee of the professionalism of SG AM's teams and the quality of its international organization. www.sgam.com

SG Asset Management Alternative Investments

SG AM Alternative Investments, the French wholly-owned subsidiary of SG Asset Management, manages EUR 29.2 billion of assets at 30th June 2005 and covers the whole scope of alternative investments: structured products, hedge funds, private equity, real estate management. SG AM AI develops tailor-made and global innovative structured credit solutions in close interaction with clients and partners.

SG AM AI has developed and manages CDOs, CDOs squared, the eEquity piecetranche of Constant Maturity CDOs and the innovative leveraged and principal-protected credit products based on Dynamic Portfolio Insurance technology.

www.sgam-ai.com