



ASSET MANAGEMENT

Press Release

Paris, November 14th 2005

SG AM AI Private Equity sells its funds' final holdings in Central and Eastern Europe and launches a new investment activity in the region.

SGAM Alternative Investments announces the successful sale of Microlink to the three Baltic telecommunication operators at 2x its cost. Microlink is one of the largest IT service providers in Baltic states.

This operation successfully concludes the exits from the investments of SGAM AI's two funds in Central and Eastern Europe, which had invested and managed USD 140m in around 50 companies for more than 10 years.

Exits already completed this year :

➤ The **Baltic Republics Fund¹ (BRF)**

- In September 2005, the BRF exited from Baltika, the largest Baltic fashion retail chain, which also operates in Russia and Ukraine. The fund sold its 34.56% stake through an international equity placement. The USD 16.4m transaction achieved a 5.3x multiple on invested capital.
- In June 2005, the BRF sold its 59.47% stake in Viisnurk (a Baltic wood processing company) yielding a 2.4x investment multiple.

➤ Sale of **SG Romania Fund's²** holding in Orange Romania (April 2005).

Capitalizing on the experience successfully acquired through these funds, SG AM AI Private Equity is currently launching a new EUR 150m fund covering Eastern European countries, both new entrants to the European Union and candidates for accession.

(1) The **Baltic Republics Fund** has invested in Private Equity in Baltic countries since 1994, with about USD 100 million in 30 companies.

Baltic Republics Fund has been a major player in expansion capital in this region. The portfolio companies have already been sold, mainly to industrial buyers but also through IPO.

(2) **Société Générale Romania Fund** was a pioneer in Private Equity in Romania, starting to invest in 1997. Over the years, the Fund invested some USD 42 million in 18 companies, mainly market leaders in their sectors. The quality of the underlying assets and the sector diversification of the portfolio created the basis for positive performance despite tough market conditions.

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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 (SG AM) is one of the world's leading asset managers with €298 billion under management at 30 June 2005.

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

-a multi-centre 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 major centres (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 €40 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.

Through cross-selling, which accounted for more than one-third of net inflows in 2004, and a focus on quality and constant innovation, SG AM has developed value-added management solutions tailored to clients' specific needs and which optimise 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 organisation. www.sgam.com

SGAM Alternative Investments: This wholly-owned subsidiary of SG Asset Management has developed successfully by combining active asset management processes with a capital market culture that blends innovation and risk management. With EUR 28bn assets under management at 30 June 2005, 235 employees worldwide and the strategic and financial backing of Société Générale Group, SGAM Alternative Investments has become one of the leading global specialists in alternative investment. www.sgam.com