

Société Générale into exclusive negotiations with Otto for the purchase of Hanseatic Bank

Société Générale and Otto, Hamburg, announce today that they are holding exclusive negotiations for the acquisition by Société Générale of a 75% stake in Hanseatic Bank, Hamburg, a 100 percent subsidiary of the Otto Group, whilst Otto would retain a 25% ownership. The transaction would also entail a long term cooperation between Société Générale and Otto which would be exclusive partners for the sales financing of the mail order business of OTTO and Schwab in Germany.

Finalization of the negotiations is expected within the next few weeks and will be subject, inter alia, to the consultation of SG's Workers Council.

With credit outstanding in excess of 1 billion euros, Hanseatic Bank is the number four specialized consumer finance bank in Germany. Hanseatic Bank has around 300 employees and operates a network of 30 branches.

This transaction fits in with the development strategy of the Specialized Financial Services of Société Générale. In this field, Société Générale operates in five business lines, and ranks among the European leaders, with a number of leadership positions in life & non-life insurance, consumer and car finance, business finance and vendor programmes, operational car leasing and fleet management, and IT asset leasing and management.

Société Générale Group

Société Générale is one of the largest financial services groups in the euro-zone. The Group employs 88,000 people worldwide in three key businesses:

- Retail Banking & Financial Services : Société Générale serves more than 15 million retail customers worldwide.
- Asset Management, Private Banking & Securities Services : Société Générale is one of the largest banks in the euro-zone in terms of assets under custody (approximately USD 1300 billion) and under management (EUR 311 billion, June 2004).
- 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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SOCIÉTÉ GÉNÉRALE
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Otto Group

Founded in 1949, the Otto Group is now a worldwide-operating trade and services group with more than 55,000 employees on three continents. The Otto Group operates in 19 countries in Europe, North America and Asia. It is engaged in retail trade, financial services, the wholesale and the services sector. In the financial year 2003/04, the Otto Group achieved a turnover of 14.3 bn Euro. Today, Otto is the largest mail order group in the world. The Otto Group is the world's number two in B2C online trade, second only to Amazon. Over-the-counter retail trade constitutes the third pillar of the successful multichannel distribution concept at Otto.

Global corporate activities and a variety of strategic partnerships and joint ventures provide Otto with excellent opportunities to transfer know-how and to use the synergy potential available. The fact that national companies are acting within their own responsibility to a high degree guarantees both flexibility and a close customer relationship as well as optimum target group appeal in the respective country.

For further information on the Otto Group as well as the 2003/2004 annual report, the Chairman's speech at the annual press conference on financial statements, press photos, and TV footage, please refer to www.ottogroup.com