

Société Générale acquires 75% stake in Hanseatic Bank and signs long-term cooperation agreement with Otto

Société Générale and Otto announce the acquisition by Société Générale, for an amount of 190 million euros, of a 75% stake in Hanseatic Bank, a subsidiary held by Otto Group. Otto will retain a 25% ownership stake in Hanseatic Bank.

The transaction also includes a 30-year cooperation agreement between Société Générale and Otto as exclusive partners for the sales financing of the mail order business of Otto and Schwab in Germany.

Philippe Citerne, Chief Executive Officer of the Société Générale Group, said: "Following the acquisition of a majority stake in Hanseatic Bank, Société Générale will bolster its consumer finance operations in Germany and build on the long-term exclusive agreement with Otto and Schwab to develop joint business opportunities."

Dr. Michael Otto, Chairman of the Executive Board of the Otto Group, said: "Private customer business in banking has a great future. Growth in this sector, beyond the scope already covered by the Hanseatic Bank, requires expanding business by adding new financial services and broadening our clientele base. This is why we are very pleased to have found in Société Générale a strategic partner, who is outstandingly suited to achieve this. We are moreover thus creating an optimum range of financial services for our mail-order customers at Otto and Schwab."

Société Générale's current consumer finance business in Germany includes a car financing activity and a car leasing business under the respective brand names BdK and ALD. With credit outstanding in excess of 1 billion euros, Hanseatic Bank is the number four specialized consumer finance bank in Germany, with 300 employees and a network of 30 branches. Following this acquisition, Société Générale will be one of the leaders in consumer finance in Germany with total credit outstanding of approximately 2.6 billion euros.

This transaction highlights Société Générale's development strategy in specialized financial services where the Group operates in five business lines and ranks among the European leaders, with a number of leadership positions in:

- consumer and car finance
- business finance and vendor programmes
- operational car leasing and fleet management
- IT asset leasing and management
- life & non-life insurance.



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A French corporation with
share capital of
EUR 555,617,206.25
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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 nearly 16 million retail customers worldwide.
- Global Investment Management & Services: Société Générale is one of the largest banks in the euro-zone in terms of assets under custody (over EUR 1,100 billion) and under management (EUR 313 billion, September 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.

www.socgen.com

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