

## Press release

Paris, 10 December 2007

### **Société Générale decides to consolidate PACE Structured Investment Vehicle ensuring its full refinancing**

Due to current market conditions, Société Générale has extended a liquidity facility designed to fully support the liquidity requirements of PACE (Premier Asset Collateralised Entity), the sole Structured Investment Vehicle that the Group sponsors. This decision, which was approved by PACE's independent board of directors, will lead to the consolidation of 100% of PACE assets on Société Générale's balance sheet and will have an impact of around -0.05% on its Tier 1 ratio.

The Group remains confident in the underlying quality of assets acquired. As of November 30, 2007, PACE has a total asset size of USD 4.3 billion and is composed of 75% of Moody's Aaa rated assets, 13% rated Aa, 9% rated A, and 3% rated Baa. The assets include 25% US financial institutions senior debt obligations primarily rated single A- or better, and 75% asset backed securities. The asset backed securities portfolio includes 18% of AAA/Aaa rated monoline insured securities, 12% of RMBS securities (of which 9% are AAA rated RMBS with subprime underlying), 19% of CDOs (of which 9% are CDOs of small business loans, 7% are CLOs and 3% are ABS CDOs) and 26% of other ABS (student loans, CMBS, credit cards, auto loans and sundry ABS).

Société Générale also has a 103.5 million USD investment in the capital notes of PACE which, as at November end, was valued at 27.6 million USD under marked-to-market conditions.

#### **Société Générale**

Société Générale is one of the largest financial services groups in the euro-zone. The Group employs 120,000 people worldwide in three key businesses:

- Retail Banking & Financial Services: Société Générale serves 27,6 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 2 585 billion, Sept 2007) and under management (EUR 450,1 billion, Sept 2007).
- Corporate & Investment Banking: Société Générale ranks among the leading banks worldwide in euro capital markets, derivatives and structured finance.

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

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Société Anonyme with capital of EUR 582.831.013,75

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