

Press Release

Hong Kong, 21 June 2006

SG Excel Notes 13 & 14: Achieve 28% potential coupon within one year even in volatile time!

Société Générale Acceptance N.V. (“SGA”), a wholly-owned subsidiary of the Société Générale Group, today announced the launch of **SG Excel Notes 13 and 14** to help investors tap returns from Hong Kong stocks within one year.

“Hong Kong stocks are likely to recover from the lows recently. However, the uncertainties of US interest rates and inflationary pressures on global economic growth may put pressure on the downside.” said Andrew Au, Director at SG Structured Products Asia ex-Japan.

SG once again leverages the Group’s product innovation to enhance the features of SG Excel Notes 13 & 14 to provide investors an alternative investment choice to directly benefit from the stock market growth, yet with more downside protection. The Notes are linked to a basket of Hong Kong blue chips and H shares which are well-positioned for growth. With the unique features of an enhanced **low strike price, booster coupons, bonus coupons**, and possible early redemption after three months, investors can profit from higher potential returns with relatively safe and flexible investment benefits.

Series 13 Notes:

- Hong Kong Exchanges & Clearing Ltd. (0388.HK)
- China Mobile (Hong Kong) Ltd. (0941.HK)
- PetroChina Co Ltd – H Shares (0857.HK)

Series 14 Notes:

- Hong Kong Exchanges & Clearing Ltd. (0388.HK)
- Ping An Insurance (Group) Co of China Ltd. - H shares (2318.HK)
- China Life Insurance Company Limited – H Shares (2628.HK)

Investors of SG Excel Notes Series will receive a **fixed coupon of 2% (Series 13) or 2.25% (Series 14)** of the denomination payable at the end of every 3-month period, and **bonus coupon of 12%** payable at maturity provided that the Series of Notes has not been early redeemed and the closing price of each share within the relevant basket is not less than 80% of its initial price on every exchange business day during the period beginning from the issue date to the final valuation date (both dates inclusive). Investors of Series 13 Notes may also receive potential **booster coupon of 8%** per annum if each of the shares in the basket is at or above 105% of its initial price.

Key Investor benefits of SG Excel Notes Series 13 & 14 include:

- **Fixed coupon of 2% for Series 13 Notes and 2.25% for Series 14 Notes of the denomination payable at the end of every 3-month period**

Regardless of the share price performance of the underlying Basket of Shares, investors will receive total fixed coupons of 8% for Series 13 Notes and 9% for Series 14 Notes at maturity.

- **Maximum potential total coupons of up to 28% and 21% for Series 13 and Series 14 Notes respectively over 1 year**

Apart from the fixed coupon, Investors may receive a potential bonus coupon of 12% of the denomination payable at maturity if the Notes has not been early redeemed and the closing price of each share within the relevant basket is not less than 80% of its initial price on every exchange business day during the period beginning from the issue date to the final valuation date (both dates inclusive). Investors of Series 13 Notes may also receive potential **booster coupon of 8% if each of the shares in the basket is at or above 105% of its initial price.**

- **Decreasing callable price**

In respect of each share:

- on the first valuation date, 100% of the initial price of such share;
- on the second valuation date, 95% of the initial price of such share;
- on the third valuation date, 90% of the initial price of such share.

The callable price reduces every quarter which helps increase the opportunity of early redemption after 3 months since launch.

- **Automatic early redemption**

If, with respect to the first, second or third valuation dates, the 3-day average closing price of each of the shares within the relevant basket with respect to the relevant valuation date is at or above its callable price for such valuation date, the relevant Series of Notes will be redeemed early in cash at 100% of the principal amount on the immediately following coupon payment date, together with payment of the fixed coupon and in the case of Series 13 Notes, the booster coupon (if any). No further coupon will be paid thereafter.

- **Redemption at maturity**

In respect of each Series of Notes, if the Notes have not been early redeemed and if the 3-day average closing price of each share in the relevant basket with respect to the final valuation date is at or above its strike price, the Notes will be redeemed in cash at 100% of their principal amount on the maturity date together with payment of the final coupon and bonus coupon (if any) and in the case of Series 13 Notes, the booster coupon (if any).

Otherwise, if the 3-day average closing price of any share in the basket with respect to the final valuation date is below its strike price, the Notes will be redeemed by delivering the physical delivery amount of the laggard share on the maturity date together with the final coupon, and the bonus coupon (if any). The number of the laggard share(s) to be delivered per Note is determined by the following formula:

$$\frac{\text{Denomination}}{\text{Strike price of the laggard share}}$$

The value of the physical delivery amount of the laggard share per Note delivered will be less, and could be substantially less, than the principal amount of the Notes.

Other information on the Notes:

Issuer:	SGA Société Générale Acceptance N.V.	Offer period:	From 19 June to 7 July 2006 (may change without prior notice)
Guarantor:	Société Générale	Trade date:	Expected to be 10 July 2006
Denomination:	HKD 10,000 per Note	Issue date:	Expected to be 19 July 2006
Minimum investment:	HKD 30,000 or 3 Notes	Maturity date:	Expected to be 19 July 2007
Initial price:	In respect of each share, the average closing price for the 3 consecutive exchange business days, expected to be 10, 11, 12 July 2006	The first, second, third and final valuation dates:	Expected to be 10 October 2006, 10 January 2007, 10 April 2007 and 10 July 2007
Issue price:	100% of the denomination	Coupon payment dates:	Expected to be 19 October 2006 (first coupon payment date), 19 January 2007 (second coupon payment date), 19 April 2007 (third coupon payment date) and 19 July 2007 (final coupon payment date)

The note is distributed by Asia Commercial Bank, Bank of America (Asia), CITIC Ka Wah Bank, Dah Sing Bank, Hang Seng Bank, Liu Chong Hing Bank, MEVAS Bank, Shanghai Commercial Bank, Sun Hung Kai Investment Services, Wing Hang Bank and Wing Lung Bank from now to 7 July 2006.

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Société Générale

Société Générale is one of the largest financial services groups in the euro-zone. The Group employs more than 103,000 people worldwide in three key businesses:

- Retail Banking & Financial Services: Société Générale serves more than 19,8 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 1,521 billion, March 2006) and under management (EUR 402 billion, March 2006).
- 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. www.socgen.com

Société Générale Corporate & Investment Banking

Present in over 45 countries across Europe, the Americas and Asia, Société Générale Corporate & Investment Banking is a reference bank specialising in:

- Euro capital markets. A top ten player in debt and equity segments (bonds, securitisations, syndicated loans, equity-linked and equity issues).
- Derivatives. Among the world leaders in equity derivatives and in many interest rate, credit, foreign exchange and commodities derivatives.
- Structured finance. A worldwide leader in export, project and structured commodity finance.

Combining innovation and quality of execution, Société Générale Corporate & Investment Banking provides corporates, financial institutions and investors with value-added integrated financial solutions.

www.sgcib.com

Société Générale Corporate & Investment Banking in Asia Pacific

Backed by worldwide expertise and an extensive network in 13 countries in Asia Pacific, Société Générale Corporate & Investment Banking has built prime corporate & investment banking operations in the region to become a leading regional player in capital markets, derivatives, and structured finance. Société Générale Corporate & Investment Banking combines in Asia Pacific both global and local strengths to provide corporate clients, financial institutions and private investors with value-added integrated financial solutions.

Société Générale Equity Derivatives and Structured Products

Société Générale has a proven track record and a leading market reputation in equity derivatives and structured products. It was named "Equity Derivatives House of the Year 2003 & 2004" and "Equity Derivatives House of the Year 2005 for Europe and the Americas" by The Banker, "Equity Derivatives House of the Year 2001, 2003 & 2005" by Asia Risk, "Equity Derivatives House of the Year 2005" by Structured Products Magazine, "Equity Derivatives House of the Year 2003" by Asiamoney, "Equity Derivative House of the Year 2001, 2004 & 2005" by IFR Magazine, "Equity Derivatives House of the Year 2002, 2003, 2004 & 2005" by The Asset, and "Equity Derivatives House of the Year 2001, 2002, 2004 and 2005" by Risk Magazine, "Equity Derivatives House of the Year 2005" by Structured Product and "Best European Equity Derivatives Provider 2005" by Global Finance. SG is well qualified to provide the necessary risk management techniques required for pricing and hedging these types of complex derivatives.

PRESS RELATIONS

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