

P R E S S R E L E A S E

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EuroMTS Index Licenses Lyxor AM for First Exchange Traded Funds

(LONDON) MTSNext today announced that it has entered into an agreement to license Paris-based Lyxor Asset Management for Exchange Traded Funds (ETFs) aimed at tracking the EuroMTS Index. The EuroMTS Index is the only independent, real time eurozone government bond index calculated using tradable prices.

Lyxor Asset Management, a fully owned subsidiary of Société Générale, is a major player in the rapidly developing European ETF industry with over €3 billion in its Master Unit range. The French asset management company has developed a range of ETFs covering major equity indices in the eurozone, the United States and France. Its CAC40 Master Unit is the largest European ETF and is currently the most heavily traded ETF listed on Euronext.

“Lyxor Asset Management is delighted to be able to extend its expertise in ETFs into the bond market,” said Isabelle Bourcier, ETF Global Coordinator for Lyxor AM Master Units. “The EuroMTS Index is highly representative of the eurozone government securities market and is widely used as a benchmark in Europe, particularly in France, where the majority of government bond funds already reference the index. The tradability and transparency of the index mean that it is an ideal underlying index for an ETF, and its number of constituents strikes an excellent balance between representation and trading cost efficiency for a wide range of bond investors.”

Scott Stark, Chief Executive Officer of MTSNext, said: “The strong competition for the EuroMTS index ETF license confirms the market’s recognition of the value that the index provides, both as a transparent European government bond benchmark and as a base for cost efficient financial instruments. Lyxor’s success in the European ETF market and the advantages of the EuroMTS index, including the unique price transparency and tradability of the underlying bonds on the MTS markets, are factors that we believe will make this a very successful product.”

The EuroMTS Index, formerly the CNO Etrix, was acquired by EuroMTS in January 2003 and is now calculated in real-time with two daily price fixings at 1100CET and 1600CET. A major goal in developing the index has been to provide widespread, easy access to the index methodology, prices and underlying data, a policy that reflects the demands of a wide range of bond investors. The latest index prices, historical data and the underlying bond prices used at the fixings are distributed free of charge via www.euromtsindex.com and are also available on market data vendors including Bloomberg (“EMTS” <GO>) and Reuters (“EUROMTSINDEX”).

1 EuroMTS Index

The EuroMTS Index was formerly the CNO Etrix and was acquired by EuroMTS from the French Bond Market Association (Comité de Normalisation Obligataire, or "CNO") in January 2003. It is comprised of the EuroMTS Global index and six maturity band indices: 1-3 yr, 3-5, 5-7, 7-10, 10-15 and 15+. The EuroMTS Index is the first independent, transparent, real-time and tradable government bond index for the European investment community. The index is produced by EuroMTS and benefits from the advice of a committee of market participants (the "Advisory Committee").

The index is calculated and disseminated every 30 seconds between 1000CET and 1730CET using bid prices of the underlying bonds trading on MTS. MTS is the main trading system for eurozone government securities with over 2500 trading screens connecting more than 250 market participants and daily trading volumes exceeding Eur70bn in value.

For more information, please go to www.euromtsindex.com

2 MTSNext

MTSNext, a joint venture between EuroMTS and Euronext, is responsible for the management and promotion of the EuroMTS Index. MTSNext offices are based at 99 Bishopsgate, GB-London EC2M 3XD.

3 Lyxor Asset Management

A wholly-owned subsidiary of the Société Générale banking group, Lyxor Asset Management is an asset management company specialised in three businesses:

- Index management: Lyxor Asset Management manages more than €3 billion on its ETFs range including the largest European ETF in assets, the CAC40 Master Unit. Lyxor Asset Management has several exclusive licences in ETF management which include the new Italian stock exchange index, the S&P/MIB. www.masterunit.com;
- Structured management: Lyxor manages more than €11 billion assets under management (at the end of September 2003) in structured management and has developed an offer dedicated to institutional investors;
- Alternative management: Lyxor has created an innovative platform of "Managed Accounts" which offer investments in a large diversity of hedge funds by limiting the risks usually encountered and giving access to strong liquidity. MSCI recently launched an investable index of alternative management which is built on the platform of "Lyxor's Managed Accounts" of the MSCI Hedge Invest Index.

Created in 1998, Lyxor Asset Management manages today nearly €26 billion assets under management. www.lyxor.com

4 The Société Générale Group

Société Générale is one of the eurozone's leading providers of financial services, employing more than 80,000 people worldwide. Operations are built around three core businesses:

- Retail banking, with 14.7 million clients in France and other countries
- Asset management, where it ranks third in the eurozone with €270 billion under management at the end of 2002
- Investment banking and financing, where it ranks third in the eurozone in terms of net banking income.

Société Générale is a component stock of the world's four main sustainability indices. www.socgen.com

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