



CORPORATE &
INVESTMENT BANKING

Press Release

Hong Kong, 21 December 2004

SG CIB COMPLETES A LANDMARK CROSS-BORDER M&A TRANSACTION

PROTON ACQUIRES 57.75% OF MV AGUSTA MOTOR S.P.A.

SG Corporate & Investment Banking (SG CIB), part of Société Générale, one of the largest financial services groups in the euro-zone, has today announced the successful completion of a cross border transaction for Proton Holdings Bhd, the number one car manufacturer in Malaysia and a leading manufacturer in the ASEAN region. SG CIB acted as the financial advisor to Proton.

Proton Holdings Bhd has underwritten a capital increase of €70 million, acquiring a majority control, 57.75%, of the Italian company MV Agusta Motor S.P.A, one of the most famous motorbike manufacturers in the world. The enterprise value for the acquisition of MV Agusta Motor S.P.A. is €296.5 million.

Throughout the acquisition process, SG CIB worked with Proton to overcome significant challenges including tight timeframe, and complex target structure due to the fact that MV Agusta was placed under "Controlled Administration" - a procedure that protects temporary distressed companies from bankruptcy through the appointment of commissioners in charge of management.

"This transaction is another step in Proton's transformation into a world class automobile manufacturer in the current competitive market environment. It also demonstrates our cross-border M&A capability in completing a complex transaction like this," said Robert McGregor, Managing Director and Head of Investment Banking for Asia, SG CIB.

The deal involved negotiations with 1200 creditors and 14 Italian banks for the acceptance of the debt haircut and restructuring.

"We are very happy with the results achieved and the excellent teamwork between the company and SG CIB," said Tan Seng Lee, CFO of Proton.

The deal has become a case study in Italy since only 15% of the companies under Controlled Administration procedure manage to avoid eventual bankruptcy.

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NOTE TO EDITORS

SOCIETE GENERALE 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.
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- Corporate & Investment Banking : SG CIB ranks among the leading banks worldwide in euro capital markets, derivatives and structured finance.

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- Euro Capital Market : 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.

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PROTON HOLDINGS BHD

Proton, listed on the Malaysian Stock Exchange with a market cap of €1 billion, is a leading Asian car manufacturer that is expanding its international presence directly and through the acquisition of high-profile brand vehicle manufacturers. The company recorded a turnover of around €2 billion with a net profit of €236 million in 2003.