

*This Announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the exchange traded funds described below.*

*Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and the Securities and Futures Commission take no responsibility for the contents of this Announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Announcement.*

**IMPORTANT:** Investors are strongly advised to consider the contents of this Announcement. This Announcement is important and requires your immediate attention. It concerns a fundamental change to the authorisation and the listing status of the Lyxor ETFs in Hong Kong. In particular, investors should note that subject to the SFC's and the SEHK's respective approvals of the Deauthorisation and the Delisting of the Lyxor ETFs in Hong Kong:

- ❖ The expected Last Trading Day of the Lyxor ETFs on the SEHK will be 7 March 2012, after which Units will no longer be traded on the SEHK. The Deauthorisation and Delisting Day is expected to take place on 13 March 2012.
- ❖ After the Deauthorisation of the Lyxor ETFs in Hong Kong, the Lyxor ETFs will no longer be subject to the regulation of the SFC.
- ❖ From 8 December 2011 up to and including the Last Trading Day, investors may continue to buy or sell Units on the SEHK in accordance with the usual trading arrangements currently in place. Alternatively, investors may, through their financial intermediaries, sell Units to SG Securities (HK) Limited at net asset value (subject to applicable fees and charges as referred to below).
- ❖ Each investor who wishes to retain or dispose of its delisted Units after the Last Trading Day will have to liaise with its financial intermediary to arrange for the Units to be transferred from CCASS to iFAST Financial (HK) Limited ("iFAST"), subject to compliance with the normal client acceptance rules and procedures of iFAST.
- ❖ Investors who intend to retain Units in the Lyxor ETFs after the Last Trading Day are urged to open an account (either in its own name, or via its financial intermediary) with iFAST (via Fundsupermart.com) as soon as possible.

Otherwise, this will have an adverse impact on investor's ability to sell the Units to SG Securities (HK) Limited including a delay in executing any buy-back order on any specific Dealing Deadline after the Last Trading Day, and a delay in receipt of the sales proceeds and in the worst case, inability to sell the Units.

- ❖ After the Last Trading Day and for a period of eighteen (18) months thereafter ending on 7 September 2013, investors will only be able to sell Units on a weekly basis on specified days to SG Securities (HK) Limited at net asset value (subject to applicable fees and charges as referred to below). There is no assurance or commitment that after 7 September 2013 investors will be able to sell the Units to SG Securities (HK) Limited nor as to the terms on which the Units may be repurchased.

Financial intermediaries are urged to:

- Forward a copy of this Announcement to their clients holding Units in the Lyxor ETFs, and inform them of the contents of this Announcement as soon as possible.
- Facilitate clients to dispose or transfer Units of the Lyxor ETFs before or after the Last Trading Day as soon as possible.
- Open an account with iFAST (via Fundsupermart.com) as soon as practicable in respect of their nominee and client account holdings of the Units if they have clients who wish to retain their Units after the Last Trading Day.
- Assist clients who are the ultimate beneficial holders of Units in the Lyxor ETFs as soon as practicable should they wish to directly open an individual account with iFAST (via Fundsupermart.com) for the disposal of their Units after the Last Trading Day.
- Inform clients as soon as possible if any earlier dealing deadline, additional fees or charges, and/or other terms and conditions will be applicable in respect of the provision of their services in connection with the above.

If investors are in any doubt about the contents of this Announcement, they should contact their independent financial intermediaries, professional advisers or SG Securities (HK) Limited. Investors may also contact iFAST (via Fundsupermart.com) directly in relation to any questions on the account opening process.

## ANNOUNCEMENT AND NOTICE OF THE PROPOSED VOLUNTARY DEAUTHORISATION AND DELISTING IN HONG KONG

Hong Kong, 7 December 2011

LYXOR ETF FTSE RAFI US 1000\* (Stock code: 2803)

LYXOR ETF FTSE RAFI EUROPE\* (Stock code: 2806)

LYXOR ETF COMMODITIES THOMSON REUTERS/JEFFERIES CRB TR\* (Stock code: 2809)

LYXOR ETF MSCI INDIA\* (Stock code: 2810)

LYXOR ETF MSCI WORLD\* (Stock code: 2812)

LYXOR ETF MSCI KOREA\* (Stock code: 2813)

LYXOR ETF JAPAN (TOPIX®)\* (Stock code: 2814)

LYXOR ETF MSCI AC ASIA-PACIFIC ex JAPAN\* (Stock code: 2815)

LYXOR ETF MSCI EMERGING MARKETS\* (Stock code: 2820)

LYXOR ETF NASDAQ-100\* (Stock code: 2826)

LYXOR ETF RUSSIA (DJ RUSINDEX TITANS 10)\* (Stock code: 2831)

LYXOR ETF MSCI TAIWAN\* (Stock code: 2837)

(\*This is a Synthetic ETF)

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***Proposed Voluntary Deauthorisation and Delisting of all Lyxor ETFs***

Lyxor International Asset Management (the “**Manager**”), the manager of the above-mentioned exchange traded funds (collectively, the “**Lyxor ETFs**”) listed on The Stock Exchange of Hong Kong Limited (the “**SEHK**”), hereby announces that having taken into account the interests of the unitholders of the Lyxor ETFs as a whole and after considering many factors including the current levels of assets under management and trading volume of the Lyxor ETFs in Hong Kong, it has decided to voluntarily seek the deauthorisation by the Securities and Futures Commission (the “**SFC**”) pursuant to Section 106 of the Securities and Futures Ordinance (the “**SFO**”) of the Lyxor ETFs (the “**Deauthorisation**”) and the delisting of the Lyxor ETFs from the SEHK (the “**Delisting**”). Three months’ notice is hereby given to holders of Units of the Lyxor ETFs in Hong Kong pursuant to Chapter 11.4 of the SFC Code on Unit Trusts and Mutual Funds (the “**Code**”).

Subject to the SFC’s and the SEHK’s respective approvals of the Deauthorisation and the Delisting, it is anticipated that the last trading day of each Lyxor ETF (the “**Last Trading Day**”) will be 7 March 2012, and the Deauthorisation and the Delisting are expected to take effect on 13 March 2012. The Manager will issue further announcements to investors confirming the Last Trading Day, as well as the dates for the Deauthorisation and Delisting following the relevant approvals by the SEHK and the SFC. Whilst the Manager will, in addition, contact relevant financial intermediary participants of the SEHK closer to these dates, all financial intermediaries are urged to forward a copy of this Announcement to their clients holding Units, and inform them of the contents of this Announcement as soon as possible.

Following the proposed Delisting and Deauthorisation, the Lyxor ETFs will continue to operate as UCITS funds and will continue to be listed in, amongst other jurisdictions, France. There can be no switching of Units of a Lyxor ETF into units of the Lyxor ETF listed on other stock exchanges in other jurisdictions unless the aggregate value of Units of a Lyxor ETF to be switched exceeds EUR100,000 or its equivalent, and further provided that (i) the investor (by itself or through financial intermediaries) has a securities accounts in the relevant jurisdiction and (ii) the procedures for switching of Units are complied with. Investors who wish to switch their Units should contact SG Securities (HK) Limited (“**SGSHK**”). For the avoidance of doubt the Manager retains the discretion to lower or waive the EUR100,000 threshold in the case of institutional investors only.

The Manager will continue to manage the Lyxor ETFs in accordance with applicable laws and regulations as well as the Lyxor ETFs’ respective constitutive documentation. However, following the Deauthorisation, the Lyxor ETFs will not be offered to the public in Hong Kong (and the Hong Kong website of the Manager for the Lyxor ETFs will not be available) by the Manager or by SGSHK. Following the Deauthorisation, financial intermediaries and investors are advised not to circulate any marketing and other product information relating to the Lyxor ETFs to the public in Hong Kong as this may be in breach of the SFO. Any such marketing and other product information relating to the Lyxor ETFs will be for the personal use only by the financial intermediaries and investors to whom it was issued prior to Deauthorisation.

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As at 30 November 2011, the assets under management (“AUM”) of each of the Lyxor ETFs in Hong Kong and globally are as follows:

	HK AUM (USD mil)	Global AUM (USD mil)	Listing Date
LYXOR ETF FTSE RAFI US 1000	2.4	72.8	03/06/2008
LYXOR ETF FTSE RAFI EUROPE	2.4	20.5	03/06/2008
LYXOR ETF COMMODITIES THOMSON REUTERS/JEFFERIES CRB TR	28.1	1,357.6	26/04/2007
LYXOR ETF MSCI INDIA	18.1	1,205.4	26/04/2007
LYXOR ETF MSCI WORLD	3.8	934.5	18/04/2007
LYXOR ETF MSCI KOREA	13.2	177.0	26/04/2007
LYXOR ETF JAPAN (TOPIX®)	6.8	515.0	03/06/2008
LYXOR ETF MSCI AC ASIA-PACIFIC ex JAPAN	44.6	573.2	18/04/2007
LYXOR ETF MSCI EMERGING MARKETS	3.3	1,188.5	03/06/2008
LYXOR ETF NASDAQ-100	4.0	285.4	26/04/2007
LYXOR ETF RUSSIA (DJ RUSINDEX TITANS 10)	12.7	1,075.5	21/05/2007
LYXOR ETF MSCI TAIWAN	15.0	80.7	03/06/2008
<b>TOTAL</b>	<b>154.4</b>	<b>7,486.1</b>	

(\*This is a Synthetic ETF)

The latest total expense ratio for each of the Lyxor ETFs is as follows:

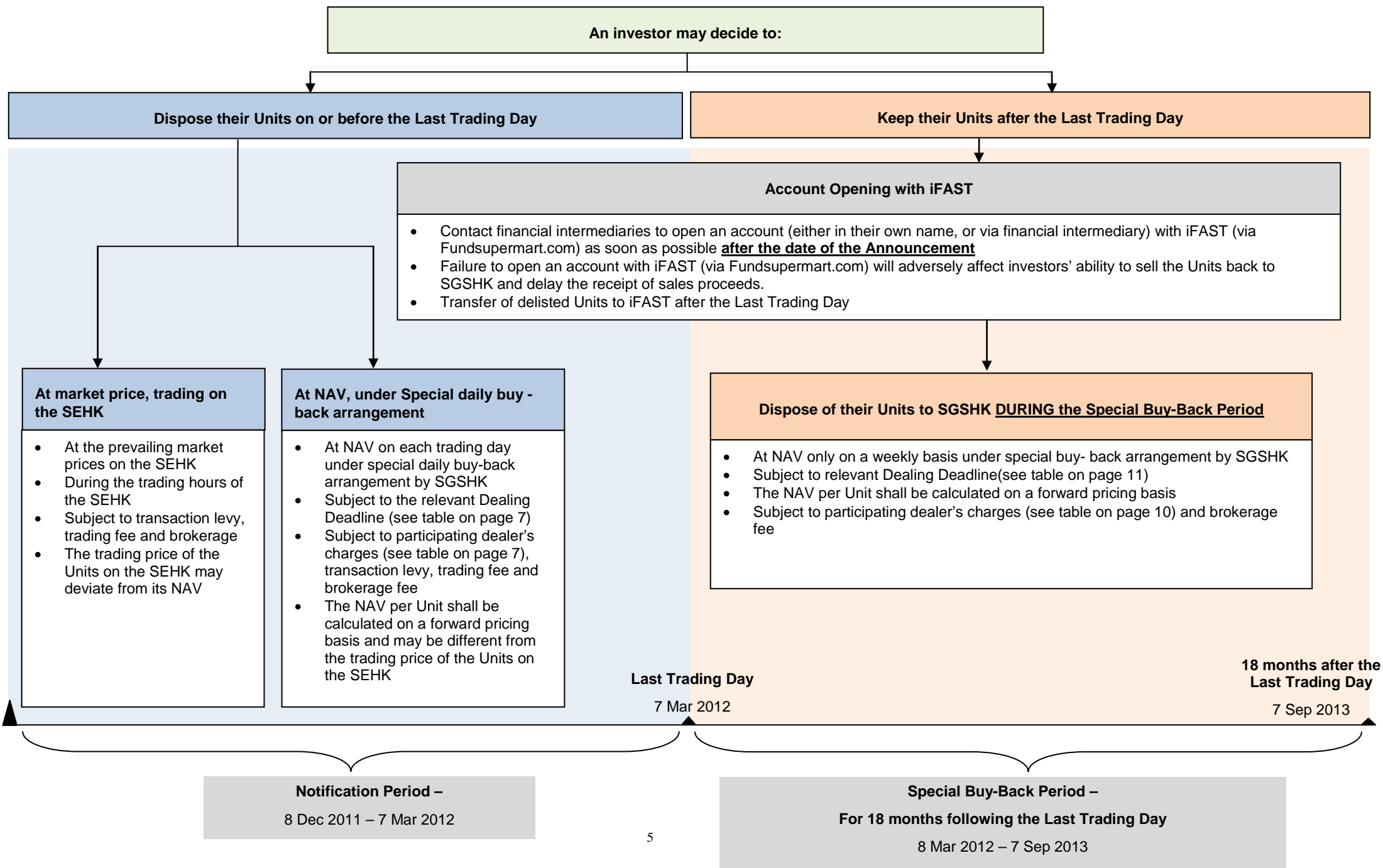
Fund Name	Total Expense Ratio**
Lyxor ETF FTSE RAFI US 1000*	0.60%
Lyxor ETF FTSE RAFI Europe *	0.60%
Lyxor ETF Commodities Thomson Reuters/ Jeffries CRB TR*	0.35% (plus 0.30% additional tracking cost ^)
Lyxor ETF MSCI India *	0.85%
Lyxor ETF MSCI World *	0.45%
Lyxor ETF MSCI Korea *	0.65%
Lyxor ETF Japan (TOPIX®) *	0.50%
Lyxor ETF MSCI AC Asia Pacific ex-Japan *	0.65%
Lyxor ETF MSCI Emerging Markets *	0.65%
Lyxor ETF NASDAQ-100 *	0.30%
Lyxor ETF Russia (DJ RusIndex Titans 10) *	0.65%
Lyxor ETF MSCI Taiwan *	0.65%

(\*This is a Synthetic ETF)

\*\* For the avoidance of doubt, the Total Expense Ratio does not represent the estimated tracking error and excludes any indirect costs borne by the relevant Lyxor ETF and reflected in the value of the unfunded swap (if applicable).

^The Total Expense Ratio for the Lyxor ETF Commodities Thomson Reuters/Jeffries CRB TR\* (\*This is a Synthetic ETF) excludes an additional tracking cost of up to 0.30% per annum.

The chart below illustrates the potential courses of action that may be taken by an investor:



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***Potential courses of action(s) to be taken by investors on or before the Last Trading Day***

1. *Trading on the SEHK on any trading day up to and including the Last Trading Day (i.e. from 8 December 2011 up to and including 7 March 2012)*

On any trading day up to and including the Last Trading Day, a holder of a Unit may continue to buy or sell its units in the relevant Lyxor ETF (the “Units”) on the SEHK in the accordance the usual trading arrangements currently in place, during the trading hours of the SEHK and based on the prevailing market prices. SGSHK, the market maker of the Lyxor ETFs, will stand ready to purchase any Units at fair price under normal market conditions in accordance with the Trading Rules of the SEHK. Investors should note that, like any trading of stocks on SEHK, brokers or other financial intermediaries may levy brokerage fees on any sale of the Units on the SEHK on investors and that, in addition, a transaction levy (at 0.003% of the price of the Units) and a trading fee (at 0.005% of the price of Units) is payable by the buyer and the seller of the Units. No charge to stamp duty will arise in Hong Kong. The trading price of Units may deviate from the net asset value per Unit, and the returns investors obtain from a sale of the Units on the SEHK may be different from the returns from the sale of such Units back to SGSHK at net asset value up to the Last Trading Day under the special daily buy-back arrangement as described in the next section.

2. *Special daily buy-back arrangement following the date of this Announcement up to and including the Last Trading Day (i.e from 8 December 2011 up to and including 7 March 2012) (the “Notification Period”)*

An investor may, via a financial intermediary, choose to sell its Units at the net asset value of the relevant Lyxor ETF on any trading day during the Notification Period. SGSHK, the participating dealer of the Lyxor ETFs, will stand ready to purchase any Units from a financial intermediary (which is also an exchange participant) at the net asset value per Unit of the relevant Lyxor ETF (subject to customary Participating dealer’s charges (defined below), taxes and duties, and any other fees and charges which may be levied by the financial intermediaries). Investors should therefore contact their financial intermediaries to have their Units bought at the net asset value during the Notification Period. The net asset value shall be calculated on a forward pricing basis (i.e. the NAV price is unknown at the time of placing the buy-back order) and may be different from the trading price of the Units on the SEHK. Investors may refer to the last closing net asset value per Unit for each of the Lyxor ETFs at [www.lyxoretf.com.hk](http://www.lyxoretf.com.hk). As SGSHK will only accept buy-back orders from exchange participants during the Notification Period, custodian and nominee account holders who wish to sell Units held on behalf of their clients should contact an exchange participant to arrange for the sale of the Units under this arrangement.

Investors should note that SGSHK will levy a customary transaction charge as listed below, representing hedging and other costs associated with execution of the underlying of the relevant Lyxor ETFs (the “Participating dealer’s charge”). Further, the sales proceeds will be converted from US dollars into Hong Kong dollars at prevailing market exchange rate. Investors should also note that brokers or other financial intermediaries may levy brokerage fees on the selling investors which may be deducted from the sales



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proceeds and that, in addition, a transaction levy (at 0.003% of the price of the Units) and a trading fee (at 0.005% of the price of Units) are payable by the buyer and the seller of the Units. No charge to stamp duty will arise in Hong Kong.

The table below sets out the Participating dealer's charges for each Lyxor ETF:

	<b>Participating dealer's charges</b>
Lyxor ETF FTSE RAFI US 1000*	0.02%
Lyxor ETF FTSE RAFI Europe *	0.025%
Lyxor ETF Commodities Thomson Reuters/ Jefferies CRB TR*	0.025%
Lyxor ETF MSCI India *	0.135%
Lyxor ETF MSCI World *	0.03%
Lyxor ETF MSCI Korea *	0.30%
Lyxor ETF Japan (TOPIX®) *	0.00%
Lyxor ETF MSCI AC Asia Pacific ex-Japan *	0.14%
Lyxor ETF MSCI Emerging Markets *	0.25%
Lyxor ETF NASDAQ-100 *	0.02%
Lyxor ETF Russia (DJ RusIndex Titans 10) *	0.02%
Lyxor ETF MSCI Taiwan *	0.30%

(\*This is a Synthetic ETF)

For every buy-back order for Units of the relevant Lyxor ETF, the relevant applicant will be sent a confirmation detailing the number of Units and the net asset value per Unit for the relevant Lyxor ETF after the net asset value for the relevant Lyxor ETF is published.

The table below sets out further information as to the dealing deadline, reference valuation day, reference valuation point, the timing of the publication of the net asset value and settlement cycle for each Lyxor ETF during the Notification Period in the event an investor sell its Units to SGSHK under the special daily buy-back arrangement. Buy-back orders submitted after the relevant dealing deadline will be deemed to be submitted on the next following dealing day. Investors, custodians and nominee account holders should note that the dealing deadline set by their financial intermediaries may differ from those listed below. Investors should accordingly check with their financial intermediaries for the relevant dealing deadline of their financial intermediaries.

Fund Name	Stock Code	Dealing Deadline	Reference Valuation Day (NAV Date)	Reference Valuation Point (Close on which the NAV is based)	NAV to be published by Manager (HK time)	Settlement
Lyxor ETF FTSE RAFI US 1000*	2803	4:00pm HK time on (T)	T	T	T+2	T+4
Lyxor ETF FTSE RAFI Europe *	2806	4:00pm HK time on (T)	T	T	T+2	T+4
Lyxor ETF Commodities Thomson Reuters/ Jefferies CRB TR*	2809	4:00pm HK time on (T)	T	T	T+2	T+4
Lyxor ETF MSCI India *	2810	4:00pm HK time on (T)	T+1	T+1	T+3	T+5

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Lyxor ETF MSCI World *	2812	4:00pm HK time on (T)	T+1	T+1	T+3	T+5
Lyxor ETF MSCI Korea *	2813	4:00pm HK time on (T)	T+1	T+1	T+3	T+5
Lyxor ETF Japan (TOPIX®) *	2814	4:00pm HK time on (T)	T+1	T+1	T+3	T+5
Lyxor ETF MSCI AC Asia Pacific ex-Japan *	2815	4:00pm HK time on (T)	T+1	T+1	T+3	T+5
Lyxor ETF MSCI Emerging Markets *	2820	4:00pm HK time on (T)	T+1	T+1	T+3	T+5
Lyxor ETF NASDAQ-100 *	2826	4:00pm HK time on (T)	T	T	T+2	T+4
Lyxor ETF Russia (DJ RusIndex Titans 10) *	2831	4:00pm HK time on (T)	T	T	T+2	T+4
Lyxor ETF MSCI Taiwan *	2837	4:00pm HK time on (T)	T+1	T+1	T+3	T+5

(\*This is a Synthetic ETF)

It should be noted that if an investor does nothing before the Last Trading Day, the investor will need to liaise with its financial intermediary to arrange for the Units to be transferred from CCASS to iFAST (defined below) **before** he/she can sell the Units at net asset value (subject to applicable Participating dealer's charges, and any other fees and charges which may be levied by the financial intermediaries) to SGSHK. **As the account opening process with iFAST will take some time and subject to its normal client acceptance rules and procedures, investors who intend to sell the Units in the Lyxor ETFs after the Last Trading Day are urged to contact their financial intermediaries to open an account (either in their own name, or via their respective financial intermediary) with iFAST as soon as possible after the date of this Announcement. Financial intermediaries holding Units on behalf of their clients are urged to open an account with iFAST as soon as possible if they have clients who wish to retain or dispose of their Units after the Last Trading Day; and to provide assistance to clients who are ultimate beneficial holder of Units in the Lyxor ETFs should they wish to directly open an individual account with iFAST. Please refer to the details of transfer of delisted Units to iFAST in the next section.**

**There is no assurance that an investor or its financial intermediary may duly satisfy the client acceptance rules and procedures and transfer procedures of iFAST. Investors who remain as investors of Units after the Last Trading Day take all risks associated therewith, including the possible inability to dispose of the Units after the Last Trading Day.**

***Potential courses of action(s) to be taken by investors after the Last Trading Day***

Investors who neither sell their Units at the prevailing market price on the SEHK nor sell their Units to SGSHK at net asset value on or before the Last Trading Day will remain as investors in each relevant Lyxor ETF, which will be deauthorised and delisted in Hong Kong. Consequently, any such investor will no longer be able to sell its Units on the SEHK after the Last Trading Day.



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After the Delisting and Deauthorisation, the Units will no longer be recognized as eligible securities by the Hong Kong Securities Clearing Company Limited (“HKSCC”) as operator of CCASS. **The Units can no longer be settled through CCASS after the Delisting and Deauthorisation.** As such, the sale of the delisted Units back to SGSHK shall be conducted through a service agent to be appointed by the Manager and SGSHK. The service agent will be iFAST Financial (HK) Limited (“iFAST”). Please refer to the section headed “Service Agent” for further details on iFAST

***Transfer of the delisted Units to iFAST***

The delisted Units will, upon instructions of CCASS Participants (acting on behalf of the relevant ultimate beneficial investor), be transferred from CCASS to iFAST after the Last Trading Day. The transfer of Units from CCASS to iFAST shall be subject to the relevant financial intermediary (acting on behalf of ultimate beneficial investors) or the ultimate beneficial investor of the Units (in its own name) having opened an account with iFAST and compliance with client acceptance rules and procedures of iFAST.

**Important Notes:**

**As the account opening process with iFAST will take some time and subject to its normal client acceptance rules and procedures, investors who intend to sell the Units in the Lyxor ETFs after the Last Trading Day are urged to contact their financial intermediaries to open an account (either in their own name, or via their respective financial intermediary) with iFAST as soon as possible after the date of this Announcement. Financial intermediaries holding Units on behalf of their clients are urged to open an account with iFAST as soon as possible if they have clients who wish to retain or dispose of their Units after the Last Trading Day; and to provide assistance to clients who are ultimate beneficial holder of Units in the Lyxor ETFs should they wish to directly open an individual account with iFAST.**

**Otherwise, failure to open an account (whether directly or via a financial intermediary) with iFAST on or before the Last Trading Day will have an adverse impact on investor’s ability to sell the Units to SGSHK including a delay in executing any buy-back order on any specific Dealing Deadline after the Last Trading Day, and a delay in receipt of the sales proceeds and in the worst case, inability to sell the Units.**

Investors who wish to obtain more information about the transfer process should contact their respective financial intermediaries.

Investors should take note that if no action is taken to transfer Units out of the CCASS after the Last Trading Day, or if for any reason the Units are not transferred to iFAST after the Last Trading Day, the Units will continue to remain with CCASS. Such investor may, through its financial intermediary, sell the delisted Units back to SGSHK. However, the payment of sales proceeds is subject to the relevant account opening procedures of SGSHK; and this may adversely impact investors’ ability to sell the Units to SGSHK, including delay in executing any buy-back order on any specific Dealing Deadline after the Last Trading Day, delay in receipt of the sales proceeds, and in the worst case, inability to sell the Units. There is no assurance that an investor or its financial intermediary may duly satisfy the account opening requirements of SGSHK. Investors

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who remain as investors of Units which remain in CCASS after the Last Trading Day take all risks associated therewith, including the possible inability to dispose of the Units after the Last Trading Day.

***Special weekly buy-back arrangements for eighteen (18) months following the Last Trading Day (i.e. from 8 March 2012 until 7 September 2013) (the “Special Buy-Back Period”)***

Interests of investors in relation to the Units will remain unchanged notwithstanding the Delisting and Deauthorisation. However, if an investor wishes to dispose of its delisted Units after the Last Trading Day, the investor will need to liaise with its financial intermediary (or with iFAST) to have SGSHK purchase such Units custodied at iFAST at the net asset value (subject to the Participating dealer’s charges, and any other fees and charges which may be levied by the financial intermediaries). The net asset value shall be calculated on a forward pricing basis (i.e. the NAV price is unknown at the time of placing the buy-back order).

Investors should note that SGSHK will levy a customary Participating dealer’s charge as listed below. Further, the sales proceeds will be converted from US dollars into Hong Kong dollars at the prevailing market exchange rate. Brokers or other financial intermediaries may also levy brokerage fees on the investors which may be deducted from the sales proceeds.

	Participating Dealer’s charges
Lyxor ETF FTSE RAFI US 1000*	0.02%
Lyxor ETF FTSE RAFI Europe *	0.025%
Lyxor ETF Commodities Thomson Reuters/ Jefferies CRB TR*	0.025%
Lyxor ETF MSCI India *	0.135%
Lyxor ETF MSCI World *	0.03%
Lyxor ETF MSCI Korea *	0.30%
Lyxor ETF Japan (TOPIX®) *	0.00%
Lyxor ETF MSCI AC Asia Pacific ex-Japan *	0.14%
Lyxor ETF MSCI Emerging Markets *	0.25%
Lyxor ETF NASDAQ-100 *	0.02%
Lyxor ETF Russia (DJ RusIndex Titans 10) *	0.02%
Lyxor ETF MSCI Taiwan *	0.30%

(\*This is a Synthetic ETF)

SGSHK will purchase Units during the Special Buy-Back Period **on a weekly basis**. The Dealing Deadline for the weekly purchase facility will be on each Tuesday that is a Valuation Day (or the Hong Kong Business Day immediately following such Tuesday in the case such Tuesday is not a Valuation Day) of the relevant Lyxor ETF. Further details concerning the process by which investors may instruct their financial intermediaries to sell their Units will be available from the financial intermediary.

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For every buy-back order for Units of the relevant Lyxor ETF, the relevant applicant will be sent a confirmation detailing the number of Units and the net asset value per Unit for the relevant Lyxor ETF after the net asset value for the relevant Lyxor ETF is published.

The table below sets out further information as to the dealing deadline, reference valuation day, reference valuation point, the timing of the publication of the net asset value and settlement cycle for each Lyxor ETF during the Special Buy-Back Period in the event an investor sell its Units to SGSHK under the special weekly buy-back arrangement. Buy-back orders submitted after the relevant dealing deadline will be deemed to be submitted on the next following dealing day. Investors should note that the dealing deadline set by their financial intermediaries may differ from those listed below. Investors should accordingly check with their financial intermediaries for the relevant dealing deadline of their financial intermediaries.

Fund Name	Stock Code	Dealing Deadline	Reference Valuation Day (NAV Date)	Reference Valuation Point (Close on which the NAV is based)	NAV to be published by Manager (HK time)	Settlement
Lyxor ETF FTSE RAFI US 1000*	2803	4:00pm HK time on Tuesday (T)	T	T	T+2	T+7
Lyxor ETF FTSE RAFI Europe *	2806	4:00pm HK time on Tuesday (T)	T	T	T+2	T+7
Lyxor ETF Commodities Thomson Reuters/Jefferies CRB TR*	2809	4:00pm HK time on Tuesday (T)	T	T	T+2	T+7
Lyxor ETF MSCI India *	2810	4:00pm HK time on Tuesday (T)	T+1	T+1	T+3	T+8
Lyxor ETF MSCI World *	2812	4:00pm HK time on Tuesday (T)	T+1	T+1	T+3	T+8
Lyxor ETF MSCI Korea *	2813	4:00pm HK time on Tuesday (T)	T+1	T+1	T+3	T+8
Lyxor ETF Japan (TOPIX®) *	2814	4:00pm HK time on Tuesday (T)	T+1	T+1	T+3	T+8
Lyxor ETF MSCI AC Asia Pacific ex-Japan *	2815	4:00pm HK time on Tuesday (T)	T+1	T+1	T+3	T+8
Lyxor ETF MSCI Emerging Markets *	2820	4:00pm HK time on Tuesday (T)	T+1	T+1	T+3	T+8
Lyxor ETF NASDAQ-100 *	2826	4:00pm HK time on Tuesday (T)	T	T	T+2	T+7
Lyxor ETF Russia (DJ RusIndex Titans 10) *	2831	4:00pm HK time on Tuesday (T)	T	T	T+2	T+7
Lyxor ETF MSCI Taiwan *	2837	4:00pm HK time on Tuesday (T)	T+1	T+1	T+3	T+8

(\*This is a Synthetic ETF)

After the Special Buy-Back Period (i.e. from 8 September 2013 onwards), investors can contact SGSHK to ascertain the options that may then be available to them. However, there is no assurance or commitment that, after 7 September 2013, investors will be able to sell the Units to SGSHK nor as to the terms on which the Units may be repurchased.

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***Consequences of the Deauthorisation and the Delisting***

Investors who by choice or by default remain as investors after the Last Trading Day should take note that once Deauthorisation and Delisting of the Lyxor ETFs has occurred, the Lyxor ETFs will no longer be tradeable in the secondary market on the SEHK and will not be authorised by the SFC. This means that the Lyxor ETFs will no longer be Hong Kong exchange traded funds, will no longer be tradable at a market price during trading sessions on the SEHK and will no longer be subject to Hong Kong regulation by the SFC under the SFC Handbook for Unit Trusts and Mutual Funds, Investment-Linked Assurance Schemes and Unlisted Structural Products (the "**Handbook**") including the Code. Although the Lyxor ETFs will continue to be regulated and to be listed in France and will maintain UCITS status, the cessation of Hong Kong regulation in respect of the Lyxor ETFs means that, amongst others, any future changes to the investment strategy or structure of the Lyxor ETFs will not be subject to any prior approval of the SFC or requirement under the Handbook and the Code.

Notwithstanding the above, the Manager does not foresee that there will be any adverse tax consequence for the Lyxor ETFs and the investors as holder of the Units nor that there will be any change in the fees and costs borne by the Lyxor ETFs as a result of the Deauthorisation and Delisting.

Investors who by choice or by default remain as investors after the Last Trading Day are reminded they will bear all risks associated with the reduced liquidity for the Units, including but not limited to:

- the ability only to sell Units on a weekly basis to SGSHK at net asset value (subject to Participating dealer's charge and other charges that may be levied by their financial intermediaries) during the Special Buy-back Period;
- the risk relating to the transfer of Units from CCASS to iFAST, the settlement risk of iFAST and the risk in connection with the subsequent custody of the Units;
- the risk that the investor or its financial intermediary is unable to satisfy the client acceptance rules and requirements, or the transfer procedures of iFAST, in which case the Units may not be transferred from CCASS to iFAST. Investors' ability to sell the Units back to SGSHK on any specific Dealing Deadline after the Last Trading Day will be adversely affected and there may be delay in receipt of the sales proceeds;
- (in the event of a sale of Units which remain in CCASS after the Last Trading Day) the risk that the investor or its financial intermediary is unable to comply with the relevant account opening procedures of SGSHK, in which case there will be delay in the receipt of the sales proceeds, or the investor will even be unable to effect a sale of the Units to SGSHK;
- the potential risk that it may be more costly for investors to dispose of their Units after the Special Buy-Back Period depending on the level the Participating dealer's charges that may be levied by SGSHK; and

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- the risk that there may be limited or no liquidity after the Special Buy-Back Period. Investors should note that after the expiry of the Special Buy-Back Period, the opportunities to dispose of such unlisted Units will only be effected at the discretion of SGSHK. Investors who continue to hold Units after the Last Trading Day are therefore urged to consider liaising with their respective financial intermediaries to have their Units purchased within the Special Buy-Back Period if they remain as investor after the Last Trading Day.

**Service Agent**

The service agent to be appointed to facilitate the buy-back of Units by SGSHK will be iFAST Financial (HK) Limited. iFAST Financial (HK) Limited is licensed to conduct Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the Securities and Futures Ordinance. iFAST Financial (HK) Limited is the operator of Fundsupermart.com, an online mutual funds platform. The assets of clients on the Fundsupermart.com platform, including the Units, will be held by iFAST Nominees (HK) Limited, a wholly owned associated entity of iFAST Financial (HK) Limited and will be held in a segregated account. iFAST Nominees (HK) Limited has been appointed as nominee for holding assets (which include the Units) pursuant to S.5(1)(b)(ii) of the Securities and Future (Client Securities) Rules.

The Manager will be liable to holders of Units for the acts and omissions of iFAST Financial (HK) Limited in relation to its duties as service agent.

**Costs**

As indicated above, brokers or other financial intermediaries may levy brokerage fees on the investors. Depending on the action taken by the investor, participating dealer's fees, transaction levy and trading fees may also be payable by the investor. Costs associated with the Deauthorisation and Delisting processes at the level of the Lyxor ETFs will be borne by the Manager. Costs associated with the transfer of Units from CCASS to iFAST on or after the Last Trading Day will also be borne by the Manager.

**Other considerations**

In consequence of this Announcement and the impending Deauthorisation and Delisting, investor should note the following possible implications:

- Trading of Units in the secondary market may become less liquid.
- Although until the Last Trading Day (included) SGSHK will stand ready to purchase any Unit at fair price under normal market conditions in accordance with the Trading Rules of the SEHK, Units may trade at a discount to their respective net asset values in some extreme market situations.

**Contacts**

If you have any queries, please direct these to your financial intermediaries or contact us at Level 38, Three Pacific Place, 1 Queen's Road East, Hong Kong (hotline telephone number: (852) 2166 4620; email: info@lyxoretf.com.hk; website : www.lyxoretf.com.hk).

If you have any questions in relation to the account opening process with iFAST (via Fundsupermart.com), you may contact your financial intermediaries or contact us at the details set out above. You may also directly contact iFAST (via Fundsupermart.com) at Suite 4601, Two Exchange Square, 8 Connaught Place, Central, Hong Kong (tel: (852) 3766 4321; email: clienthelp.hk@fundsUPERmart.com)

The Manager and SGSHK accept responsibility for the accuracy of the information contained in this announcement.

The Manager and SGSHK are wholly-owned subsidiaries of Société Générale.

Issued by

**LYXOR INTERNATIONAL ASSET MANAGEMENT**

**SG SECURITIES (HK) LIMITED**

**7 December 2011**