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## ANNOUNCEMENT

**Hong Kong, 6 March 2012**

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

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

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

**(\*This is a Synthetic ETF)**

Lyxor International Asset Management, the manager of the above-mentioned exchange traded funds listed on The Stock Exchange of Hong Kong Limited (collectively, the “**Lyxor ETFs**”), hereby announces that, with effect from 20 March 2012, the changes hereinafter mentioned will take place. Such changes have no material impact to the Lyxor ETFs and will not materially prejudice investors’ rights or interest.

### **Change of Indexation from Price Index to Total Return Index**

Change of indexation from price index to total return index will apply to the Lyxor ETFs. Currently, the investment objective of each of the Lyxor ETFs is to provide investment results that closely correspond to the performance of the relevant underlying index, increased by the potential dividends as may be distributed by the constituent stocks of the relevant underlying index and calculated net of any applicable tax. After the change, the investment objective of the Lyxor ETFs will be to provide investment results that closely correspond to the performance of a new underlying index, such new underlying index being a total return index. A total return index, means that dividends net of any applicable tax paid by the constituent securities of the relevant underlying index are reinvested into such underlying index.

For each relevant Lyxor ETF included in the table below, the applicable underlying index to date is the corresponding index listed in the “Initial Underlying Index” column. With effect from 20 March 2012, i) the applicable underlying index for each relevant Lyxor ETF will be the corresponding new index listed in the “New Underlying Index” column (for the avoidance of doubt, the underlying components of each “New Underlying Index” remain the same as the underlying components of the corresponding “Initial Underlying Index”) and ii) the equity-linked swap agreement entered into in respect of each relevant Lyxor ETF will be amended or reset to provide the relevant Lyxor ETF with the performance of the relevant “New Underlying Index”.

ETF Name	Stock Code	Initial Underlying Index	New Underlying Index
LYXOR ETF NASDAQ-100*	2826	NASDAQ-100™ index	NASDAQ-100™ Net Total Return index
LYXOR ETF FTSE RAFI EUROPE*	2806	FTSE RAFI EUROPE™ index	FTSE RAFI EUROPE™ Net Total Return index
LYXOR ETF FTSE RAFI US 1000*	2803	FTSE RAFI US 1000™ index	FTSE RAFI US 1000™ Net Total Return index

(\*This is a Synthetic ETF)

The changes will occur after the last trading day of the Lyxor ETFs (i.e. 7 March 2012), and after the Lyxor ETFs have been deauthorised by the Securities and Futures Commission and delisted from the Stock Exchange of Hong Kong Limited. Investors who intend to retain units in the Lyxor ETFs are strongly advised to read and consider the announcements dated 7 December 2011 and 27 February 2012 for the details on the arrangement concerning the deauthorisation and delisting of the Lyxor ETFs.

If you have any queries, please direct these to your financial adviser or alternatively SG Securities (HK) Limited, the Hong Kong Representative at Level 38, Three Pacific Place, 1 Queen's Road East, Hong Kong (hotline telephone number: (852) 2166 4620).

The Manager accepts responsibility for the accuracy of the information contained in this announcement.

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***Issued by***

**LYXOR INTERNATIONAL ASSET MANAGEMENT**