



PRESS RELEASE

Paris, July 4th 2005

Société Générale displays its commitment to microfinance alongside with PlaNet Finance by entering the capital of MicroCred (PlaNet Bank project)

In the framework of its commitment to microfinance, the bank Société Générale supports the creation of MicroCred (PlaNet Bank project) by participating in its capital with an investment of € 3 millions. The capital of MicroCred, an investment company based in Paris, will amount to € 31,5 millions.

MicroCred is an initiative of PlaNet Finance, an International Solidarity Organization which aims at promoting microfinance¹ around the world.

MicroCred will be creating or investing in 15 Microfinance Institutions (MFI) during the five coming years, benefiting from the experience and the international network of PlaNet Finance. Its goal is to reach 300,000 microentrepreneurs in the poorest regions of the world. Société Générale will invest in this project together with the International Financial Company (World Bank Group), private investors but also bilateral and multilateral agencies.

This initiative meets the UN objectives for the International Year of Microcredit, which focuses on increasing the sustainable access to financial services and encouraging innovations and partnerships, allowing thus the outreach of microfinance to expand. The project contributes also to the realization of the UN Millennium Development Objectives, which aim at reducing by half the number of people living below the poverty line by allowing the poor to access financial services in the less developed countries.

*"This partnership, which displays our commitment to microfinance, should give us a better view of the sector development conditions in the emerging countries, contributing thus to the creation of synergies with local initiatives of our network sites outside metropolitan France", explained **Philippe Laget**, Manager for Sustainable Development of the Société Générale Group.*

*"Through the creation of MicroCred, PlaNet Finance completes its offer of activities towards microfinance by setting up one of the first investment companies in the sector. The support of Société Générale to this initiative in the framework of a partnership between public actors, private actors and an NGO, shows the innovative character of microfinance investments as well as the concrete opportunities of bringing closer social effectiveness and financial efficiency in a perspective of sustainable development", said **Arnaud Ventura**, Managing Director of PlaNet Finance.*

¹ Microfinance is the supply of financial services to microentrepreneurs who are excluded from the traditional financial system. Microfinance Institutions (MFIs) are subject to tax and legal rules that are adapted to their activities. Moreover, they often receive subsidies from international organizations.

Société Générale has evolved to a significant actor in the refunding of certain MFIs as its subsidiaries in Africa and in the Mediterranean countries provide some MFIs with appropriate loans. The credits supplied in 2004 amounted to dozens of millions of euros. Société Générale also buys MFIs shares. Its strong experience and the favourable results made the Bank decide to maintain its actions in the microfinance sector.

This step shows the commitment taken by Société Générale in the field of sustainable development, especially through the signature in 2003 of the Global Compact under the aegis of the United Nations.

Société Générale, member of the National Council for Sustainable Development, is rated by the main agencies that are specialized in sustainable development and was chosen by the 4 stock market indicators referring to socially-oriented investment: DJ Sustainability Index World, DJ Sustainability Index STOXX, ASPI Eurozone and FTSE 4 Good.

About PlaNet Finance

PlaNet Finance (www.planetfinance.org) is an international non profit organization, which aims at alleviating poverty in the world by contributing to the development of the microfinance sector.

PlaNet Finance supports Microfinance Institutions (MFIs) and accelerates their growth by federating them and providing them with services in terms of capacity building and financing.

PlaNet Finance operates in more than 60 countries and has permanent programs and offices in 15 countries (Mexico, Brazil, Morocco, Benin, Senegal, China, India, Italy, USA, UAE, Portugal, UK, Spain, Belgium, France).

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Société Générale Group

Société Générale is one of the first groups providing financial services in the euro zone. With 92,000 staff, its activities focus on three large fields:

- Detail networks & Financial services that serve more than 17 million individual clients in France and abroad.
- Management of assets & Services for investors, in which the Group is one of the main banks of the euro zone with € 1,180 billion in conservation funds and € 326 billion under management at the end of March 2005.
- Funding & Investment Bank. The SG CIB is listed on a permanent basis as one of the European and world leaders in the euro financial market, derivative instruments and structured finance.

Société Générale appears in the four main international indicators of sustainable development. www.socgen.com

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