

Lyxor ETF Kuwait (FTSE Coast Kuwait 40)

Equity Country & Zone

March 2011

Lyxor and Lyxor ETF are names used by Société Générale to promote the products of Lyxor Asset Management.

Exchange Traded Fund

Exchange Traded Funds (ETFs)

ETFs are index-tracking funds that are tradable in real-time during market hours on an exchange.

The objective is simple: to replicate as closely as possible the performance of an index. ETFs are easily accessible and flexible, making them suitable tools for investors looking to gain efficient exposure to the underlying index components without purchasing the individual basket of shares. ETFs are suitable for sophisticated retail and professional investors in the UK, who have a good understanding of the underlying market and characteristics of ETFs.

Lyxor ETF Kuwait (FTSE Coast Kuwait 40)

Lyxor ETF Kuwait (FTSE Coast Kuwait 40) is a French SICAV, UCITS III compliant, listed and traded on the London Stock Exchange. The objective of the ETF is to track the FTSE Coast Kuwait 40 Index.

Risks

Capital at risk:

It is important for potential investors to evaluate the risk considerations described below and in each fund prospectus which can be found on www.lyxoretf.co.uk. Investors' capital is at risk and the amount originally invested may not be recovered. The value of Lyxor ETFs can go down as well as up and may be subject to significant volatility due to market conditions and changes in the price or the level of the underlying index tracked by an ETF.

Counterparty risk:

Through Lyxor ETFs, investors are exposed to counterparty risks resulting from the use of an OTC (Over-the-Counter) swap with Société Générale. In-line with UCITS guidelines, the exposure to the Swap Counterparty, Société Générale, cannot exceed 10% of the total fund assets. It is recommended that potential investors study the Prospectus before investing.

Investors should note that holdings in this product will not be covered by the provisions of the Financial Services Compensation Scheme, nor by any similar scheme in France.

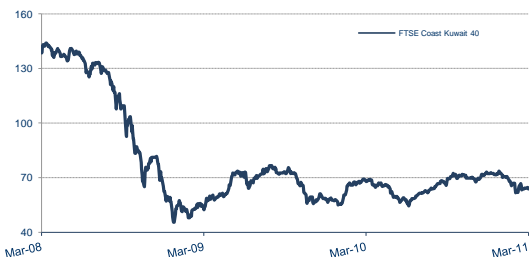
Liquidity risk:

Liquidity is provided by registered market makers on the London Stock Exchange (LSE), including Société Générale. Market-makers supporting Lyxor ETFs on exchange must follow the respective London Stock Exchange requirements and guidelines. On-exchange liquidity may be limited as a result of a suspension in the underlying market represented by the index tracked by the ETF; a failure in the LSE, Société Générale or other market-maker systems; or an abnormal trading situation or event.

Index

Performance

Source: Bloomberg



Yearly Performances

2011 YTD	-11.68%
2010	24.21%
2009	-6.80%
2008	-51.98%

Rolling Performances

1 year	-6.11%
3 Years	-53.97%

This table shows the past performance of the underlying index and not the Lyxor ETF. Some degree of performance difference between the Lyxor ETF and the underlying index is to be expected as a result of the annual Total Expense Ratio* and index replication costs. Past performance is not a reliable indicator of future performance.

Note: data as of 31 March 2011

ETF Data

Index	FTSE Coast Kuwait 40
Legal Form	French SICAV UCITS III Compliant
Exchange	LSE
First Listing	28th July 2008
Currency	GBP, USD
Minimum Investment	1 unit (1/10 of the Index)
Total Expense Ratio p.a.*	0.65%
Dividend frequency	Annual
ISIN	FR0010614834
UK Distributor Status**	Yes
SIPP / ISA Eligibility**	Yes

	GBP*	USD
NAV***		USD 24.2639
Asset Under Management***		USD 48.77 Million
SEDOL	B2R62T7	B2R62W0
TIDM	LKUW	LKUU
Reuters Code	LKUW.L	LKUU.L
Bloomberg Code	LKUW LN	LKUU LN

*The Total Expense Ratio (TER) covers all costs incurred by the Management Company to manage the underlying assets. It comprises of the Management Fee and Structural Costs described as follows. The Management Fee represents the compensation for the Management Company services. The Structural Costs represent the custodian fee, the administrative fee, the audit fee and all other operating costs that will be paid by the Management Company to operate the funds.

**All gains on the sale of Lyxor ETFs shares and dividend distributions made by Lyxor ETFs may be subject to tax on the basis of applicable tax regulations. Investors must seek their own tax advice for any further information. See Tax Disclaimer overleaf.

All Lyxor ETFs listed on the London Stock Exchange will transition into the new UK reporting status at the end of 2010 and early 2011 in line with their accounting periods. These funds will remain eligible for the UKDS throughout the transition period. Please refer to the Lyxor ETFs and the UK Distributor Status and new UK Reporting Fund Regimes guide available on the website.

***as of 31 March 2011 (Official NAV of the fund is calculated in USD as stated in the prospectus.)

Lyxor Asset Management

A fully owned subsidiary of Société Générale Group, Lyxor AM, the asset management company of the Corporate Investment Banking arm of the group, manages USD 128.5 billion¹ and specialises in three businesses: Exchange Traded & Index Funds, Quantitative & Structured management and Alternative Investments. The company is one of the largest players in the European ETF industry with more than USD 52.9 billion¹ under management. Lyxor ETFs are listed on 13 Worldwide Stock Exchanges and reflect Equity, Bond and Commodity markets. ¹Source: Lyxor AM, data as of 31 December 2010

Index Data

Exposure	Kuwait
Number of components	40
Currency	KWD
Bloomberg	GPCST001
Reuters	.FTGPCST001

The FTSE Coast Kuwait 40 Index is a float-adjusted market capitalization index that monitors the performance of stocks for the country of Kuwait. The FTSE Coast Kuwait 40 index has 40 constituents, which represent approximately 65% of the total market cap. The complete construction methodology for the index is available on www.coast.com.kw

Allocation of Index

Sectors	
Banking	44.87%
Telecom and I.T	31.29%
Industrial	4.98%
Investment	4.56%
Petroleum and chemicals	3.57%
Real Estate	2.55%
Holding	2.12%
Logistics and transportation	2.24%
Food	1.58%
Construction materials	0.68%
General Contracting	0.60%
Insurance	0.60%
Retailers	0.37%

Source: Bloomberg

Countries

Kuwait	95.30%
Bahrain	4.70%

Top holdings

Source: Bloomberg

Zain	Telecom & I.T	28.8%
National Bank of Kuwait	Banking	13.5%
Kuwait Finance House	Banking	7.2%
Al-Ahli United Bank	Banking	4.9%
Gulf Bank	Banking	4.4%
Commercial Bank of Kuwait	Banking	4.0%
Boubyan Bank KSC	Banking	3.3%
Al Ahli Bank of Kuwait	Banking	2.8%
National Mobile Telecommunication Co	Telecom & I.T	2.4%
National Industries Co	Industrial	2.2%

Note: data as of 31 March 2011

Disclaimer:

This document is issued in the UK by the London Branch of Société Générale. Société Générale is a French credit institution (bank) authorized by the Autorité de Contrôle Prudentiel (the French Prudential Control Authority). Société Générale is subject to limited regulation by the Financial Services Authority in the UK. Details of the extent of our regulation by the Financial Services Authority are available from us on request.

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The product described within this document is not suitable for everyone. Investors' capital is at risk. Investors should not deal in this product unless they understand its nature and the extent of their exposure to risk. The value of the product can go down as well as up and can be subject to volatility due to factors such as price changes in the underlying instrument and interest rates.

Prior to any investment in this product, you should make your own appraisal of the risks from a financial, legal and tax perspective, without relying exclusively on the information provided by us. We recommend that you consult your own independent professional advisors.

The securities can be neither offered nor transferred in the United States.

Lyxor ETF referred to in this document is an open-ended mutual investment fund established under Luxembourg Law and approved by the Commission de Surveillance du Secteur Financier (The Luxembourg Financial Services Regulator). The fund is UCITS compliant and is recognised under S.264 of the Financial Services and Markets Act 2000 and may be promoted to retail investors in the UK.

All gains on the sale of Lyxor ETFs shares and dividend distributions made by Lyxor ETFs may be subject to tax on the basis of applicable tax regulations. Investors must seek their own tax advice for any further information.

The ETF may be denominated in a currency different to that of the index that it tracks, which means that exchange rate fluctuations could have a negative effect on returns.

The tax statement is only a general guide. The tax treatment of investments will depend on an individual's circumstances. If investors are in any doubt as to their tax position, they must consult with an appropriate professional tax adviser. This statement of the UK tax treatment of the product is based on our understanding of the laws and practice in force as of the date of this document and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect.

Index disclaimer:

Neither Lyxor Asset Management SA nor Lyxor ETF FTSE Coast Kuwait 40 benefits in any way from the sponsorship, support or promotion of, and its products are not being sold or endorsed by, any third party index issuer or index formulator related directly or indirectly to FTSE International Limited London Stock Exchange Plc or the Financial Times Limited (hereinafter collectively referred to as the "Holders"). Holders make no guarantee and undertake no commitment, whether explicitly or implicitly, in relation to the results that may be obtained through the use of the FTSE Coast Kuwait 40 and/or in relation to the level which such index may achieve at any time, or any guarantee or commitment in relation to the index. The index is calculated by or in the name of FTSE International Limited London Stock Exchange Plc or the Financial Times Limited. The Holder shall not be liable for any error affecting the FTSE Coast Kuwait 40 with regard to any party, and shall have no obligation to inform anyone of any possible error affecting such index.

The complete prospectus of the Lyxor ETF FTSE Coast Kuwait 40 is available online and can be downloaded at www.lyxoretf.co.uk