Press release

Executive Board

February 12, 2008

Estimated results[1] of the FRR at year-end 2007

1/ As of December 31, 2007, the FRR's assets[2] had risen by 3.3 billion euros compared with year-end 2006. A significant portion (1.7 billion euros) of the increase is due to endowments received from the French government, which were slightly higher than the previous year. The rest (1.6 billion euros) of the gain is attributable to **portfolio performance (+4.8%)**.

2/ The FRR's asset structure is indicated below:

As of December 31, 2007	Exposures (in €bn)	% of total assets
Positions in equity and bond markets	33.8	98.0%
Bonds	11.6	33.5%
Non Euro	2.2	6.3%
Euro	9.4	27.2%
Equities	22.2	64.5%
Non Euro	9.8	28.5%
Euro	12.4	36.0%
Diversification assets	0.3	0.8%
Cash	0.4	1.2%
Total	**34.5**	**100.0%**

This structure is gradually evolving toward the target strategic allocation that was set by the FRR's Supervisory Board in May 2006 – including 10% invested in diversifying assets. Due to the rise in investments in private equity (venture capital, real estate, infrastructure), which are by definition less liquid, the implementation of this target allocation remains very gradual. In the interval, bond investments continue to play a key role in achieving diversification with respect to equities.

[1] These figures have not been audited.

[2] Interest income and unrealized capital gains included.

3 / The FRR's performance declined in a more difficult market environment

For the full year 2007, the global performance of the FRR, net of all fees, was a return of 4.8%. This return, while lower than what has been observed in prior years (around 10%), should nonetheless be viewed within the context of the FRR's average performance since inception, which is 8.8%, far ahead of the opportunity cost of not reimbursing the public debt.

Situation at year end 2007	Net annualized performance since inception[3]	Aggregate performance since January 1, 2007
Performance of total assets (including cash)	8.8%	4.8%

The market environment – in particular the last quarter of 2007 – adversely impacted the FRR's annual results. Even though the Fund was not directly exposed to securitized vehicles, and little exposed to credit in general, it was hurt by the sharp decline in the market near the end of the year. Overall, the FRR's performance in 2007 reflects equity appreciation (three quarters) as well as bond market performance (one quarter).

NB: The results provided above are taken from accounting data that have not yet been audited.

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[3] The first management mandates were invested in early summer 2004.