



Press release

Paris, 18 September 2007: In the evening of 4 September 2007, Calyon's senior management were advised of the existence of large market position on the books of the proprietary trading desk managed by New York branch.

This position in diversified credit market indices, which has no relation to the subprime market, was to a large extent built up during the last days of August, and in excess of authorized internal limits.

As of today, the position has been brought back within the normal trading activities of Calyon.

Appropriate disciplinary action have been initiated. The trading limit alert and security controls have been immediately strengthened in order to prevent any such incident happening in the future.

Taking into account the cost of unwinding this trade, the overall impact on Calyon's third quarter results is estimated at €250 million. In the context of a more turbulent trading environment in September, in comparison to July and August, Calyon's third quarter net income is likely to be significantly lower than for the same period in 2006 but will remain in profit.

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