

Base Prospectus dated 16 May 2012



Peugeot S.A.

(A *société anonyme* established under the laws of the Republic of France)

€5,000,000,000 Euro Medium Term Note Programme

Under the €5,000,000,000 Euro Medium Term Notes Programme (the **Programme**), Peugeot S.A. (**Peugeot** or the **Issuer**), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro Medium Term Notes (the **Notes**). The aggregate nominal amount of Notes outstanding will not at any time exceed €5,000,000,000 (or the equivalent in other currencies at the date of issue of any Notes). Subject to compliance with all relevant laws, regulations and directives, Notes issued by Peugeot may be issued in euro, U.S. dollars, Japanese yen, Swiss francs, Sterling and in any other currency agreed between the Issuer and the relevant Dealers.

This Base Prospectus constitutes a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (as amended by Directive 2010/73/EU (except as otherwise specified herein) (the **2010 PD Amending Directive**) to the extent that such amendments have been implemented in a Member State of the European Economic Area) on the prospectus to be published when securities are offered to the public or admitted to trading (the **Prospectus Directive**) in respect of, and for the purposes of giving information with regard to, Peugeot and its consolidated subsidiaries taken as a whole (the **Group**) and the Notes which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of Peugeot.

This Base Prospectus supersedes and replaces the Base Prospectus dated 16 May 2011 and any supplements thereto and shall be in force for a period of one year as of 16 May 2012.

Application has been made for approval of this Base Prospectus to the *Autorité des marchés financiers* (the **AMF**) in France in its capacity as competent authority pursuant to Article 212-2 of its *Règlement Général* which implements the Prospectus Directive.

Application may be made to Euronext Paris for the period of 12 months from the date of this Base Prospectus, for Notes issued under the Programme to be listed and admitted to trading on Euronext Paris and/or to the competent authority of any other Member State of the European Economic Area (**EEA**) for Notes issued under the Programme to be listed and admitted to trading on a Regulated Market (as defined below) in such Member State. Euronext Paris is a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC, appearing on the list of regulated markets issued by the European Commission (a **Regulated Market**).

However, Notes listed and/or admitted to trading on other stock exchanges (whether on a Regulated Market or not) or not listed and admitted to trading may be issued under the Programme. The relevant final terms (the **Final Terms**) (forms of which are contained herein) in respect of the issue of any Notes will specify whether or not such Notes will be listed and admitted to trading and, if so, the relevant stock exchange.

Notes will be in such denomination(s) as may be specified in the relevant Final Terms, save that the minimum denomination of each Note listed and admitted to trading on a Regulated Market or offered to the public in a Member State of the EEA in circumstances which require the publication of a prospectus under the Prospectus Directive will be €1,000 and, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency at the issue date, or such higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant specified currency.

Notes may be issued either in dematerialised form (the **Dematerialised Notes**) or in materialised form (the **Materialised Notes**) as more fully described herein. Dematerialised Notes will at all times be in book entry form in compliance with Articles L.211-3 et seq. and R.211-1 of the French *Code monétaire et financier*. No physical documents of title will be issued in respect of the Dematerialised Notes.

Dematerialised Notes may, at the option of the Issuer, be in bearer dematerialised form (*au porteur*) inscribed as from the issue date in the books of Euroclear France, a subsidiary of Euroclear Bank S.A./N.V. (**Euroclear France**) which shall credit the accounts of Euroclear France Account Holders including Euroclear Bank S.A./N.V. (**Euroclear**) and the depositary bank for Clearstream Banking, *société anonyme* (**Clearstream, Luxembourg**) or in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant holder of Notes (a **Noteholder**), in either fully registered form (*au nominatif pur*), in which case they will be inscribed in an account maintained by the Registration Agent acting on behalf of the Issuer, or in administered registered form (*au nominatif administré*) in which case they will be inscribed in the accounts of the Euroclear France Account Holders designated by the relevant Noteholders. **Euroclear France Account Holder** means any authorised intermediary institution entitled to hold directly or indirectly accounts on behalf of its customers with Euroclear France, and includes Euroclear and the depositary bank for Clearstream, Luxembourg.

Materialised Notes will be in bearer form only and may only be issued outside France. A temporary global certificate in bearer form without interest coupons attached (a **Temporary Global Certificate**) will initially be issued in connection with Materialised Notes. No interest will be payable on the Temporary Global Certificate. Such Temporary Global Certificate will be exchanged for definitive Materialised Notes in bearer form with, where applicable, coupons for interest attached on or after a date expected to be on or about the 40th day after the issue date of the Notes upon certification as to non U.S. beneficial ownership as more fully described herein.

Temporary Global Certificates will (a) in the case of a Tranche (as defined below) intended to be cleared through Euroclear and/or Clearstream, Luxembourg, be deposited on the issue date with a common depositary on behalf of Euroclear and/or Clearstream, Luxembourg and (b) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear and/or Clearstream, Luxembourg or delivered outside a clearing system, be deposited as agreed between the Issuer and the relevant Dealer (as defined below).

The Issuer has been assigned a rating of BB+ (negative outlook) by Standard & Poor's Rating Services (**Standard & Poor's**) on 16 February 2012 and a rating of Ba1 (negative outlook) by Moody's Investors Service Ltd. (**Moody's**) on 1 March 2012. Standard & Poor's and Moody's are established in the European Union and registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies as amended by Regulation (EU) No. 513/2011 (the **CRA Regulation**) and included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority's website as of the date of this Prospectus. Tranches of Notes issued under the Programme may be rated or unrated. The rating of a Tranche of Notes (if any) will be specified in the Final Terms. The relevant Final Terms will specify whether or not such credit ratings are issued by a credit rating agency established in the European Union and registered under the CRA Regulation. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

The final terms of the Notes will be determined at the time of the offering of each Tranche and will be set out in the relevant Final Terms.

This Base Prospectus, any supplement thereto and the Final Terms related to the Notes listed and admitted to trading on Euronext Paris will be published on the website of the AMF (www.amf-france.org). Copies of the documents incorporated by reference herein can be obtained free of charge from the registered office of the Issuer and will also be published on the Issuer's website (www.psa-peugeot-citroen.com).

Prospective investors should have regard to the factors described under the section headed "Risk factors" in this Base Prospectus before deciding to invest in the Notes issued under the Programme.

Arranger

BNP Paribas

Dealers

BNP Paribas

Crédit Agricole CIB

Deutsche Bank

HSBC

Natixis

The Royal Bank of Scotland

Société Générale Corporate & Investment Banking

This Base Prospectus (together with all supplements thereto from time to time), which contains or incorporates by reference all relevant information concerning the Issuer and the Group as well as the base terms and conditions of the Notes to be issued under the Programme, constitutes a base prospectus for the purposes of Article 5.4 of the Prospectus Directive. The terms and conditions applicable to each Tranche (as defined in the "*Terms and Conditions of the Notes*") not contained herein will be determined by the Issuer and the relevant Dealer(s) at the time of the issue on the basis of the then prevailing market conditions and will be set out in the relevant Final Terms.

This Base Prospectus (together with all supplements thereto from time to time) may only be used for the purposes for which it has been published.

This Base Prospectus should be read and construed in conjunction with any supplement that may be published from time to time and with all documents incorporated by reference (see "*Documents incorporated by reference*") and, in relation to any Series (as defined herein) of Notes, with the relevant Final Terms.

Certain information contained in this Base Prospectus and/or documents incorporated herein by reference has been extracted from sources specified in the sections where such information appears. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by the above sources, no facts have been omitted which would render the information reproduced inaccurate or misleading. The Issuer has also identified the source(s) of such information.

No person is or has been authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers or the Arranger (each as defined in "*General Description of the Programme*"). Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or those of the Group since the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that there has been no adverse change in the financial position of the Issuer or that of the Group since the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer, the Dealers and the Arranger to inform themselves about and to observe any such restriction.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THE NOTES MAY INCLUDE NOTES IN BEARER FORM THAT ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, NOTES MAY NOT BE OFFERED, SOLD OR, IN THE CASE OF MATERIALISED NOTES IN BEARER FORM, DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS. FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON OFFERS AND SALES OF NOTES AND ON DISTRIBUTION OF THIS BASE PROSPECTUS, SEE "*SUBSCRIPTION AND SALE*".

No action has been taken by the Issuer or the Dealers which would permit a public offering of any Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base

Prospectus nor any Final Terms or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

Neither this Base Prospectus nor any Final Terms constitutes an offer of, or an invitation by or on behalf of the Issuer, the Dealers or the Arranger to subscribe for, or purchase, any Notes.

The Arranger and the Dealers have not separately verified the information contained in this Base Prospectus. None of the Dealers or the Arranger makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Base Prospectus. Neither this Base Prospectus nor any other information incorporated by reference in this Base Prospectus is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Arranger or the Dealers that any recipient of this Base Prospectus or any Final Terms or any other information incorporated by reference should subscribe for or purchase the Notes. In making an investment decision regarding the Notes, prospective investors must rely on their own independent investigation and appraisal of the Issuer or the Group and the terms of the offering, including the merits and risks involved. For further details, see "Risk Factors" herein. The contents of this Base Prospectus or any Final Terms are not to be construed as legal, business or tax advice. Each prospective investor should determine for itself and/or consult its own advisers as to legal, tax, financial, credit and related aspects of an investment in the Notes. None of the Dealers or the Arranger undertakes to review the financial condition or affairs of the Issuer or the Group during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

In connection with the issue and distribution of any Tranche of Notes, the Dealer or the Dealers (if any) named as the stabilising manager(s) (the Stabilising Manager(s)) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or person(s) acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to "€", "Euro", "EUR" or "euro" are to the single currency introduced at the third stage of the European Economic and Monetary Union pursuant to the Treaty on the Functioning of the European Union (as amended from time to time), references to "£", "pounds sterling", "GBP" and "Sterling" are to the lawful currency of the United Kingdom, references to "\$", "USD" and "U.S. Dollars" are to the lawful currency of the United States of America, references to "¥", "JPY", "Japanese yen", "Yen" are to the lawful currency of Japan and references to "CHF" and "Swiss francs" are to the lawful currency of Switzerland and references to "RMB", "CNY" or "Renminbi" are to the Chinese Yuan Renminbi, the lawful currency of the People's Republic of China, which for the purpose of this document excludes the Hong Kong Special Administrative Region of the People's Republic of China, the Macau Special Administrative Region of the People's Republic of China and Taiwan (the PRC).

FORWARD-LOOKING STATEMENTS

This Base Prospectus (including the documents incorporated by reference) contains certain statements that are forward-looking including statements with respect to the Issuer's business strategies, expansion and growth of operations, trends in its business, competitive advantage, and technological and regulatory changes, information on exchange rate risk and generally includes all statements preceded by, followed by or that include the words "**believe**", "**expect**", "**project**", "**anticipate**", "**seek**", "**estimate**" or similar expressions. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in the forward-looking statements as a result of various factors. Potential investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof.

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SUMMARY

The following paragraph is to be read as an introduction to the Summary if the relevant Member State has not implemented the changes to the Summary requirements under the 2010 PD Amending Directive:

This summary must be read as an introduction to this Base Prospectus. Any decision to invest in the Notes should be based on a consideration of this Base Prospectus as a whole, including any documents incorporated by reference. Following the implementation of the relevant provisions of the Prospectus Directive (but not including any amendment thereto pursuant to the 2010 PD Amending Directive) in each Member State of the European Economic Area, no civil liability will attach to any Responsible Persons in such Member State of the European Economic Area in respect of this summary, including any translation hereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus. Where a claim relating to information contained in this Base Prospectus is brought before a court in any such Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating this Base Prospectus before the legal proceedings are initiated.

The following paragraph is to be read as an introduction to the Summary if the relevant Member State has implemented the changes to the Summary requirements under the 2010 PD Amending Directive:

This summary must be read as an introduction to this Base Prospectus and is provided as an aid to investors when considering whether to invest in the Notes, but is not a substitute for the Base Prospectus. Any decision to invest in the Notes should be based on a consideration of this Base Prospectus as a whole, including any documents incorporated by reference. Following the implementation of the relevant provisions of the Prospectus Directive (including any amendment thereto pursuant to the 2010 PD Amending Directive) in each Member State of the European Economic Area, no civil liability will attach to any Responsible Persons in such Member State of the European Economic Area in respect of this summary, including any translation hereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus or it does not provide, when read together with the other parts of this Base Prospectus, key information in order to aid investors when considering whether to invest in the Notes. Where a claim relating to information contained in this Base Prospectus is brought before a court in any such Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating this Base Prospectus before the legal proceedings are initiated.

Words and expressions defined in "Terms and Conditions of the Notes" shall have the same meanings in this summary. In this summary, the terms "Peugeot S.A." and "Company" refer to the company Peugeot S.A. The terms "PSA Peugeot Citroën" and the "Group" refer to the Company and all of its consolidated subsidiaries. The term "GM" refers to General Motors Holdings L.L.C., a wholly-owned subsidiary of General Motors Company

1. INFORMATION RELATING TO THE ISSUER

Corporate name, business sector and nationality

Peugeot S.A., a French *société anonyme* with a management and supervisory board.

Description of business

The Group is a European manufacturer with international scope, which brings together two innovative brands with differentiated identities: Peugeot and Citroën. The Group has a commercial presence in 160 countries, and more than one third of its sales come from outside Western Europe. The Group is currently

focusing on expanding its production facilities close to priority markets, with manufacturing plants in Europe, Latin America, China and Russia.

Apart from its car manufacturing business, the Group includes, in particular, the following companies:

- Faurecia, a subsidiary in which the Group owns a 57.43% stake, which is a car part manufacturer operating worldwide;
- Gefco, a wholly-owned subsidiary of the Group, which is a major logistics company;
- Banque PSA Finance, a wholly-owned subsidiary of the Group, which provides financing worldwide to end customers as well as to Peugeot and Citroën's distribution networks; and
- Peugeot Motorcycles (PMTC), a wholly-owned subsidiary of the Group, which sells a range of motor scooters, small motorcycles and mopeds.

Selected key financial information

Years 2010 and 2011

This financial information is extracted from the audited consolidated financial statements of the Issuer for the years ended 31 December 2010 and 2011.

Consolidated income statement

<i>(in millions of Euros)</i>	2011				2010			
	Manufacturing and sales companies	Finance companies	Eliminations	TOTAL	Manufacturing and sales companies	Finance companies	Eliminations	TOTAL
Sales and Revenue*	58,329	1,902	(319)	59,912	54,502	1,852	(293)	56,061
Recurring operating income	783	532	-	1,315	1,289	507	-	1,796
Non-recurring operating income (expense)	(417)	-	-	(417)	(87)	27	-	(60)
Operating income	366	532	-	898	1,202	534	-	1,736
Consolidated profit	430	354	0	784	862	394	-	1,256
<i>Attributable to equity holders of the parent</i>	238	345	5	588	744	388	2	1,134
<i>Attributable to minority interests</i>	192	9	(5)	196	118	6	(2)	122
<i>(in Euros)</i>								
Basic earnings per €1 nominal value share				2.64				5.00

* including, in 2011, Plastal Germany, Plastal Spain, Madison and Mercurio.

Consolidated balance sheets

ASSETS	31 December 2011				31 December 2010			
	(in millions of Euros)	Manufacturing and sales companies	Finance companies	Eliminations	TOTAL	Manufacturing and sales companies	Finance companies	Eliminations
Total non-current assets	25,286	367	(25)	25,628	22,646	362*	(25)	22,983
Total current assets	16,550	27,431	(618)	43,363	19,710	26,387*	(589)	45,508
TOTAL ASSETS	41,836	27,798	(643)	68,991	42,356	26,749	(614)	68,491

* as compared to €460 million and €26,289 million, respectively, published in 2010, following the reclassification as "current assets" of securities in the Brazilian government's credit receivables investment fund (FIDC) previously classified as "other non-current assets".

EQUITY AND LIABILITIES	31 December 2011				31 December 2010				
	(in millions of Euros)	Manufacturing and sales companies	Finance companies	Eliminations	TOTAL	Manufacturing and sales companies	Finance companies	Eliminations	TOTAL
Total equity					14,494				14,303
Total non-current liabilities	12,184	369	-	12,553	12,225	412	-	12,637	
Total current liabilities	18,849	23,738	(643)	41,944	19,342	22,823	(614)	41,551	
TOTAL EQUITY AND LIABILITIES				68,991				68,491	

Consolidated statements of cash flows

(in millions of Euros)	2011				2010			
	Manufacturing and sales companies	Finance companies	Eliminations	TOTAL	Manufacturing and sales companies	Finance companies	Eliminations	TOTAL
Consolidated profit (loss)	430	354	-	784	862	394	-	1,256
Funds from operations	2,596	339	-	2,935	3,257	350	-	3,607
Net cash from (used in) operating activities	1,912	17	(177)	1,752	3,774	154	117	4,045
Net cash from (used in) investing activities	(3,713)	(19)	-	(3,732)	(2,804)	(1)	3	(2,802)
Net cash from (used in) financing activities	(2,691)	(158)	78	(2,771)	375	(137)	(132)	106
Effect of changes in exchange rates	3	(2)	2	3	91	11	-	102
Net increase (decrease) in cash and cash equivalent	(4,489)	(162)	(97)	(4,748)	1,436	27	(12)	1,451
Net cash and cash equivalent at beginning of year	9,253	1,316	(127)	10,442	7,817	1,289	(115)	8,991
Net cash and cash equivalent at end of year	4,764	1,154	(224)	5,694	9,253	1,316	(127)	10,442

Recent trends in financial results

- First-quarter 2012 Group revenues of €14.3 billion, down 7% compared with the previous year.
 - Automotive Division revenues down 14% year-on-year: 8% contraction in the European market compared to first-quarter 2011 which benefited from increase in registrations ahead of the scrappage incentives withdrawal and sustained pricing pressure.
 - Strong revenue growth at Faurecia, up 8%, and Banque PSA Finance, up 6%.
 - Modest decrease at Gefco, down 4%.
- Global alliance with GM underway. Success of €1 billion capital increase.

- Peugeot 208 launched on 29 March 2012.
- Asset sales: Citer sold for €448 million and signature of an agreement for sale of the Paris headquarters building for €245 million.
- €1 billion cost reduction action plans on going.
- €600 million bond issue and €700 million in LTRO¹ financing obtained by Banque PSA Finance.

Year 2012

Quarterly sales and revenue for the first quarter of 2011 and 2012 (unaudited)

<i>(in millions of euros)</i>	Q1 2011	Q1 2012	% Change
Automotive Division	11,262	9,719	-14%
Faurecia	3,963	4,297	+8%
GEFCO	977	935	-4%
Banque PSA Finance	470	496	+6%
Other businesses and intersegment eliminations	(1,258)	(1,158)	
PSA Peugeot Citroën Group	15,414	14,289	-7%

Outlook for 2012

Group revenues for first-quarter 2012 were down 7% compared with the same period of 2011, which was lifted by the increase in registrations ahead of the withdrawal of scrappage incentives.

The competitive environment remained difficult during the quarter, with pricing pressure similar to the last quarter of 2011 and markets in Southern Europe worsened considerably, with an unfavourable impact on the combined sales in the Group's countries. This environment should last throughout the first half of the year.

In 2012, the Group continues to expect the Europe 30² market to contract by c.5% and by c.10% in France. Outside Europe, the Group is anticipating growth of c.7% in China, c.6% in Latin America and c.5% in Russia.

In this tough environment, the Group net debt should reduce significantly, supported by the cost reduction plan and the cash management program, by asset disposals and the new model launches.

The €1 billion cost reduction plan is in the process of being implemented. Nearly half of the €1.5 billion asset disposal plan had been completed during the first-quarter, with the sale of Citer for €448 million and the signature of an agreement for sale for the Paris headquarters building for €245 million.

The first key milestones in the global strategic alliance set up with GM on 29 February 2012 were attained during the quarter, with the creation of the Steering Committee on 26 March 2012, the successful €1 billion share issue on 27 March 2012 and negotiations for the logistics agreement on going.

2. RISK FACTORS

An investment in the Notes involves certain risks which should be assessed prior to any investment decision.

¹ LTRO: Long-Term Refinancing Operation conducted by the European Central Bank

² "Europe 30" means the countries referred to on page 84 of the 2011 Registration Document.

Principal risk factors relating to the Issuer and to its business

The principal risk factors specific to the Group include:

(i) **Business risks**, in particular:

- risks related to the Group's economic and geopolitical environment;
- new vehicle development, launch and marketing risks;
- customer and dealer risk;
- raw materials risk;
- supplier risk;
- industrial risks
- environmental risks
- workplace health and safety risks;
- risks associated with the cooperation agreements; and
- information system risks.

(ii) **Financial market risks**, in particular:

- exposure to changes in exchange rates;
- exposure to changes in interest rates;
- equity risk;
- counterparty risk;
- liquidity risk; and
- credit rating.

(iii) **Banque PSA Finance risk exposures**, in particular:

- risks relating to Banque PSA Finance's automobile financing business;
- risks relating to financial markets and Banque PSA Finance's status as a financial institution;
- other risks relating to Banque PSA Finance's operations;

(iv) **Legal and contractual risks**, in particular:

- legal and arbitration proceedings;
- financial covenants;
- risks related to pension and other post-retirement benefit obligations;

- risks related to intellectual property rights; and
- off-balance sheet commitments.

Principal risk factors relating to the Notes

There are certain factors which are material for the purpose of assessing the market risks associated with Notes. These are set out under "*Risk Factors*" and include inter alia:

(i) Financial risks

- **the Notes may not be a suitable investment for all investors**
- **risks relating to the liquidity/trading market for the Notes**

The Notes may not have an established trading market when issued. There can be no assurance of a secondary market for the Notes on Euronext Paris or the continued liquidity of such market if one develops so that investors could be unable to sell their Notes prior to the maturity date.

- **risks relating to the market value of the Notes**

The market value of the Notes will be affected by the creditworthiness of the Issuer and/or that of the Group and a number of additional factors.

- **risks relating to exchange rates and exchange controls**

The Issuer will pay principal and interest in the currency specified in the relevant Final Terms. For investors whose financial activities are denominated in a currency other than such currency, there is a risk of significant fluctuation in the rate of exchange between these two currencies.

- **risks relating to credit ratings**

The credit ratings assigned to the Notes may not reflect the potential impact of all risks related to the Notes or all other factors (such as the creditworthiness of the Issuer) that may affect the value of the Notes.

In addition, there are risks relating to the structure of particular Series of Notes (including Notes subject to optional redemption of the Issuer, Floating Rate Notes, Index-Linked Notes, structured Notes, Zero Coupon Notes).

(ii) Legal risks

- **risks relating to potential conflicts of interests between the Issuer, the Dealer(s) or their respective affiliates and the holders of the Notes**
- **risks of modification, waivers or substitutions of the conditions of the Notes by a meeting of holders of the Notes binding all holders of the Notes including those who did not attend or voted in a manner contrary to the majority**
- **risks relating to taxation (including changes to the EU Savings Directive)**

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other charges or duties in accordance with the law and practices of the jurisdiction where the Notes are transferred or other jurisdictions.

- **risks relating to changes in legislation**

The Terms and Conditions of the Notes are based on French legislation in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in French laws or administrative practice after the date of this Base Prospectus.

- **risks relating to the legality of purchase of the Notes**

- **risks relating to regulatory restrictions**

- **risks relating to French insolvency law**

3. INFORMATION RELATING TO THE PROGRAMME

Issuer	Peugeot S.A.
Arranger	BNP Paribas
Dealers	BNP Paribas Crédit Agricole Corporate and Investment Bank Deutsche Bank AG, London Branch HSBC Bank plc Natixis The Royal Bank of Scotland plc Société Générale
Programme Limit	Up to €5,000,000,000 (or the equivalent in other currencies at the date of issue of any Notes) aggregate nominal amount of Notes outstanding at any time.
Fiscal Agent and Principal Paying Agent	BNP Paribas Securities Services
Method of Issue	The Notes will be issued on a syndicated or non-syndicated basis.
Maturities	Any maturity agreed between the Issuer and the relevant Dealer(s). Notes may have no fixed maturity.
Currencies	Notes may be issued in any currency agreed between the Issuer and the relevant Dealer(s).
Denomination(s)	Notes will be in such denomination(s) as specified in the relevant Final Terms, save that the minimum denomination of each Note listed and admitted to trading on a Regulated Market or offered to the public in a Member State of the EEA where publication of a prospectus under the Prospectus Directive is required will be €1,000 (or if Notes are denominated in a currency other than euro, the equivalent amount in such currency at the issue date) or such higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or

regulations applicable to the relevant specified currency.

Form of Notes

Notes may be issued either in dematerialised form (**Dematerialised Notes**) or in materialised form (**Materialised Notes**).

Status of the Notes

The Notes are senior Notes. The Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer.

Negative Pledge

There will be a negative pledge in respect of the Notes.

**Event of Default
(including cross-default)**

There will be events of default and a cross-default in respect of the Notes.

Interest Periods and Interest Rates

Notes may be issued as either Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes, Dual Currency Notes or Index Linked Notes. All information relating to the length of interest periods and applicable interest rate or its method of calculation will be set out in the relevant Final Terms.

Redemption Amount

The relevant Final Terms will specify the basis for calculating the redemption amounts payable.

Optional Redemption

The relevant Final Terms will state whether Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or, the Noteholders (in particular in case of change of control of the Issuer) and, if so, the terms applicable to such redemption.

Early Redemption

Except as provided in "**Optional Redemption**" above, Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons.

Taxation

All payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

If applicable law should require that payments of principal or interest made by the Issuer in respect of any Note, Receipt or Coupon be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever levied by the Republic of France, the Issuer, will, save in certain limited circumstances, to the fullest extent then permitted by law, pay such additional amounts as shall result in receipt by the Noteholders or, if applicable, the Receiptholders and the Couponholders, as the case may be, of such amounts as would have been received by them had no such withholding or deduction been required.

Investors should carefully review the "**Terms and Conditions of the Notes – Redemption, Purchase, and Options – Redemption for Taxation Reasons**", the "**Terms and Conditions of the Notes –**

Taxation" and the "**Taxation**" section of this Base Prospectus. Each prospective holder or beneficial owner of Notes should consult its tax adviser as to the tax consequences of any investment in or ownership and disposition of the Notes.

Governing Law

The Notes are governed by French law.

Depositories/ Clearing Systems

Euroclear France, Clearstream, Luxembourg and/or Euroclear or any other clearing system specified in the Final Terms.

Issue Price

Notes may be issued at their nominal amount or at a discount or premium to their nominal amount.

Listing and Admission to trading

Listing and admission to trading on Euronext Paris, or as otherwise specified in the relevant Final Terms. A Series of Notes may be unlisted.

Offer to the Public

Notes issued by the Issuer may be offered to the public in France and any other EEA Member State in which the Base Prospectus is passported.

Method of Publication of this Base Prospectus and the Final Terms

This Base Prospectus, any supplement thereto and the Final Terms related to the Notes listed and admitted to trading on Euronext Paris will be published on the website of the AMF (www.amf-france.org) and copies may be obtained at the Fiscal Agent's or each of the Paying Agents' offices, or through any other means in accordance with Article 14 of the Prospectus Directive. The Final Terms will indicate where the Base Prospectus may be obtained.

Ratings

The Issuer has been assigned a rating of BB+ (negative outlook) by Standard & Poor's Rating Services (**Standard & Poor's**) on 16 February 2012 and a rating of Ba1 (negative outlook) by Moody's Investors Service Ltd. (**Moody's**) on 1 March 2012. Standard & Poor's and Moody's are established in the European Union and registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies as amended by Regulation (EU) No. 513/2011 (the **CRA Regulation**) and included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority's website as of the date of this Prospectus. Tranches of Notes issued under the Programme may be rated or unrated. The rating of a Tranche of Notes (if any) will be specified in the Final Terms. The relevant Final Terms will specify whether or not such credit ratings are issued by a credit rating agency established in the European Union and registered under the CRA Regulation.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

Selling Restrictions

There are restrictions on the offers and sale of Notes and the distribution of offering material in various jurisdictions. In connection with the offering and sale of a particular Tranche, additional selling restrictions may be imposed which will be set out

in the relevant Final Terms.

The Issuer is a Category 2 for the purposes of Regulation S.

RESUME EN FRANCAIS (SUMMARY IN FRENCH)

Le paragraphe suivant doit être lu comme une introduction au Résumé si l'Etat Membre concerné n'a pas transposé en droit interne les exigences de modification du Résumé résultant de la Directive 2010/73/EU modifiant la Directive Prospectus :

Ce résumé doit être lu comme une introduction au Prospectus de Base, et toute décision d'investir dans les Titres doit être fondée sur un examen exhaustif du Prospectus de Base et des documents qui lui sont incorporés par référence. Une fois les dispositions de la Directive Prospectus (à l'exclusion de toute modification apportée à celle-ci en vertu de la Directive 2010/73/EU modifiant la Directive Prospectus) transposées dans chaque Etat Membre de l'Espace Economique Européen, aucune responsabilité civile ne sera recherchée auprès des personnes qui ont présenté le présent résumé ou de sa traduction, à moins que le contenu du résumé ne soit jugé trompeur, inexact ou contradictoire par rapport aux autres parties du présent Prospectus de Base. Lorsqu'une action concernant l'information contenue dans le présent Prospectus de Base est intentée devant un tribunal d'un Etat Membre de l'Espace Economique Européen, le plaignant peut, selon la législation nationale de l'Etat Membre concerné, avoir à supporter les frais de traduction du Prospectus de Base avant le début de la procédure judiciaire.

Le paragraphe suivant doit être lu comme une introduction au Résumé si l'Etat Membre concerné a transposé en droit interne les exigences de modification du Résumé résultant de la Directive 2010/73/EU modifiant la Directive Prospectus :

Ce résumé doit être lu comme une introduction au Prospectus de Base, et est fourni comme une aide aux investisseurs qui envisagent d'investir dans les Titres, mais ne constitue pas un substitut au Prospectus de Base. Toute décision d'investir dans les Titres doit être fondée sur un examen exhaustif du Prospectus de Base et des documents qui lui sont incorporés par référence. Une fois les dispositions de la Directive Prospectus (y compris toute modification apportée à celle-ci en vertu de la Directive 2010/73/EU modifiant la Directive Prospectus) transposées dans chaque Etat Membre de l'Espace Economique Européen, aucune responsabilité civile ne sera recherchée auprès des personnes qui ont présenté le présent résumé ou de sa traduction, à moins que le contenu du résumé ne soit jugé trompeur, inexact ou contradictoire par rapport aux autres parties du présent Prospectus de Base ou s'il ne fournit pas, par rapport aux autres parties du présent Prospectus de Base, les informations essentielles permettant d'aider les investisseurs lorsqu'ils envisagent d'investir dans ces valeurs mobilières. Lorsqu'une action concernant l'information contenue dans le présent Prospectus de Base est intentée devant un tribunal d'un Etat Membre de l'Espace Economique Européen, le plaignant peut, selon la législation nationale de l'Etat Membre concerné, avoir à supporter les frais de traduction du Prospectus de Base avant le début de la procédure judiciaire.

Les termes et expressions définis dans les Sections "Terms and Conditions of the Notes" (Modalités des Titres) auront la même définition dans le présent résumé. Dans le présent résumé, les termes "Peugeot S.A." et "Société" signifient la société Peugeot S.A. Les termes "PSA Peugeot Citroën" et "Groupe" signifient la Société et toutes ses filiales consolidées. Le terme "GM" désigne la société General Motors Holdings L.L.C., une filiale détenue à 100% de General Motors Company.

1. INFORMATIONS RELATIVES A L'ÉMETTEUR

Dénomination sociale, secteur d'activité et nationalité

Peugeot S.A., une société anonyme de droit français à Directoire et Conseil de Surveillance.

Aperçu des activités

Constructeur européen d'envergure internationale, le Groupe réunit deux marques innovantes aux styles différenciés : Peugeot et Citroën. Présent commercialement dans 160 pays, le Groupe réalise plus du tiers de

ses ventes hors d'Europe occidentale. Il développe son outil de production à proximité de ses marchés prioritaires, avec des usines en Europe, en Amérique Latine, en Chine et en Russie.

En dehors de son activité de constructeur automobile, le Groupe bénéficie d'une organisation reposant notamment sur les entreprises suivantes :

- Faurecia, filiale détenue à 57,43% par le Groupe, qui est un équipementier automobile opérant au niveau mondial ;
- Gefco, filiale détenue à 100% par le Groupe, qui est un acteur majeur de la logistique ;
- Banque PSA Finance, filiale détenue à 100% par le Groupe, qui fournit dans le monde des financements à la clientèle finale et aux réseaux de distribution des véhicules Peugeot et Citroën ; et
- Peugeot Motocycles (PMTC), filiale entièrement détenue par le Groupe, propose des gammes de scooters, multivitesses et cyclomoteurs.

Informations financières clés sélectionnées

Années 2010 et 2011

Ces informations financières sont extraites des comptes consolidés audités de l'Émetteur pour les exercices clos les 31 décembre 2010 et 2011.

Comptes de résultats consolidés

(en millions d'euros)	2011				2010			
	Activités industrielles et commerciales	Activités de financement	Éliminations	TOTAL	Activités industrielles et commerciales	Activités de financement	Éliminations	TOTAL
Chiffre d'affaires *	58 329	1 902	(319)	59 912	54 502	1 852	(293)	56 061
Résultat opérationnel courant	783	532	-	1 315	1 289	507	-	1 796
Produits et (charges) opérationnels non courants	(417)	-	-	(417)	(87)	27	-	(60)
Résultat opérationnel	366	532	-	898	1 202	534	-	1 736
Résultat net consolidé	430	354	0	784	862	394	-	1 256
Dont part du groupe	238	345	5	588	744	388	2	1 134
Dont part des minoritaires	192	9	(5)	196	118	6	(2)	122
(en euros)								
Résultat net par action de 1 euro				2,64				5,00

* y compris en 2011 : Plastal Allemagne, Plastal Espagne, Madison et Mercurio

Bilans consolidés

ACTIF	31 décembre 2011				31 décembre 2010			
	(en millions d'euros)	Activités industrielles et commerciales	Activités de financement	Éliminations	TOTAL	Activités industrielles et commerciales	Activités de financement	Éliminations
Total des actifs non courants	25 286	367	(25)	25 628	22 646	362*	(25)	22 983
Total des actifs courants	16 550	27 431	(618)	43 363	19 710	26 387*	(589)	45 508
TOTAL ACTIF	41 836	27 798	(643)	68 991	42 356	26 749	(614)	68 491

* contre respectivement 460 millions et 26 289 millions d'euros publiés en 2010, suite au reclassement en « actifs courants » des titres du Fonds d'Investissement en Droits de Créance (FIDC) de l'Etat brésilien classés précédemment en « Autres actifs non courants ».

PASSIF	31 décembre 2011				31 décembre 2010				
	(en millions d'euros)	Activités commerciales et industrielles	Activités de financement	Éliminations	TOTAL	Activités commerciales et industrielles	Activités de financement	Éliminations	TOTAL
Total des capitaux propres					14 494				14 303
Total des passifs non courants	12 184	369	-	12 553	12 225	412	-	12 637	
Total des passifs courants	18 849	23 738	(643)	41 944	19 342	22 823	(614)	41 551	
TOTAL PASSIF				68 991				68 491	

Tableau de flux de trésorerie consolidés

(en millions d'euros)	2011				2010			
	Activités industrielles et commerciales	Activités de financement	Éliminations	TOTAL	Activités industrielles et commerciales	Activités de financement	Éliminations	TOTAL
Résultat net consolidé	430	354	-	784	862	394	-	1 256
Marge brute d'autofinancement	2 596	339	-	2 935	3 257	350	-	3 607
Flux liés à l'exploitation	1 912	17	(177)	1 752	3 774	154	117	4 045
Flux liés aux investissements	(3 713)	(19)	-	(3 732)	(2 804)	(1)	3	(2 802)
Flux des opérations financières	(2 691)	(158)	78	(2 771)	375	(137)	(132)	106
Mouvements de conversion	3	(2)	2	3	91	11	-	102
Augmentation (diminution) de la trésorerie	(4 489)	(162)	(97)	(4 748)	1 436	27	(12)	1 451
Trésorerie nette au début de l'exercice	9 253	1 316	(127)	10 442	7 817	1 289	(115)	8 991
Trésorerie nette de clôture	4 764	1 154	(224)	5 694	9 253	1 316	(127)	10 442

Évolution récente de la situation financière

- Chiffre d'affaires Groupe du 1er trimestre 2012 à 14,3Mds € en baisse de 7 % par rapport au 1er trimestre 2011.
- Chiffre d'affaires de la division Automobile en baisse de 14% par rapport au 1er trimestre 2011 : marché Européen en retrait de 8% par rapport au 1er trimestre 2011, dopé par la hausse des immatriculations liées à la fin des primes à la casse, et pression sur les prix maintenue
- Forte progression du chiffre d'affaires de Faurecia de 8% et de Banque PSA Finance de 6%
- Léger recul du chiffre d'affaires de Gefco de 4%
- Alliance globale avec GM en cours. Succès de l'augmentation de capital de 1Md€
- Lancement de la Peugeot 208 le 29 mars 2012
- Cessions d'actifs au 1er trimestre : Citer pour 448m€ et promesse de vente du siège social parisien pour 245m€
- Plans d'action de réduction de coût de 1Md€ en cours de déploiement
- Emission obligataire de 600m€ et accès au LTRO¹ pour 700m€ pour Banque PSA Finance

¹ Opération de refinancement à long term (*Long-Term Refinancing Operation*) conduite par la Banque Centrale Européenne.

Année 2012

Chiffre d'affaires trimestriel pour le premier trimestre 2011 et 2012 (non audité) :

(en millions d'euros)	T1 2011	T1 2012	% Variation
Automobile	11.626	9.719	-14%
Faurecia	3.963	4.297	+8%
GEFCO	977	935	-4%
Banque PSA Finance	470	496	+6%
Autres activités et Eliminations inter-activités	(1.258)	(1.158)	
Groupe PSA Peugeot Citroën	15.414	14.289	-7%

Perspectives pour 2012

Le chiffre d'affaires du 1er trimestre 2012 du Groupe est en baisse de 7% par rapport à celui du 1er trimestre 2011, qui était dopé par la hausse des immatriculations liées à la fin des primes à la casse.

Le Groupe a rencontré sur le 1er trimestre un environnement concurrentiel toujours difficile en raison d'une pression sur les prix identique à celle du 4ème trimestre 2011, et de l'Europe du Sud en forte dégradation qui impactent défavorablement les ventes combinées dans les pays du Groupe. Ce contexte devrait perdurer sur le 1er semestre.

Pour l'année 2012, le Groupe maintient inchangée l'hypothèse d'un repli des marchés automobiles de l'ordre de 5% en Europe 30¹, et de l'ordre de 10% en France. Hors Europe, le Groupe s'attend à une croissance de l'ordre de 7% du marché chinois, de l'ordre de 6% en Amérique Latine et de l'ordre de 5% en Russie.

Dans ce contexte difficile, le Groupe confirme son objectif de désendettement significatif, grâce à la contribution du plan de réduction des coûts et de management du cash, des cessions d'actifs et du lancement de nouveaux modèles.

Le plan de réduction des coûts d'1Md€ est en cours de mise en œuvre. Près de la moitié du plan de cession de 1,5Mds€ a été réalisé au 1er trimestre avec la cession de Citer pour 448m€ et la signature de la promesse de vente du siège parisien pour 245m€.

Les premières étapes clés de l'alliance stratégique globale avec GM, annoncée le 29 février 2012, ont été réalisées, avec la création du Steering Committee le 26 mars 2012, le succès de l'augmentation de capital de 1Md€ le 27 mars et les négociations sur l'accord logistique en cours.

2. FACTEURS DE RISQUE

Un investissement dans les Titres implique certains risques qui doivent être pris en compte préalablement à toute décision d'investissement.

Principaux facteurs de risque propres à l'Émetteur et à son activité

Les principaux facteurs de risques spécifiques au Groupe comprennent notamment:

(i) Les risques opérationnels et notamment:

¹ "Europe 30" signifie les pays auxquels il est fait référence en page 84 du Document de Référence 2011.

- les risques liés à l'environnement économique et géopolitique du Groupe ;
- les risques liés au développement, au lancement et à la vente de nouveaux véhicules ;
- les risques clients et concessionnaires ;
- les risques matières premières ;
- les risques fournisseurs ;
- les risques industriels
- les risques environnementaux
- les risques liés à la santé et à la sécurité au travail ;
- les risques liés aux coopérations ; et
- les risques liés aux systèmes d'information.

(ii) **Les risques relatifs aux marchés financiers** et notamment:

- exposition aux variations de taux de change ;
- exposition aux variations des taux d'intérêt ;
- le risque actions ;
- le risque de contrepartie ;
- le risque de liquidité ; et
- notation de la dette.

(iii) **Les risques relatifs à l'activité de Banque PSA Finance** et notamment:

- les risques liés à l'activité de Banque PSA Finance ;
- les risques relatifs aux marchés financiers et au statut d'établissement financier de Banque PSA Finance ; et ;
- les autres risques liés aux activités de Banque PSA Finance ;

(iv) **Les risques environnementaux:** un sinistre touchant un site industriel du Groupe peut compromettre la production et la commercialisation de véhicules et générer plusieurs centaines de millions d'euros de pertes.

(v) **Les risques juridiques et contractuels** et notamment:

- procédures judiciaires et d'arbitrage ;
- covenants de crédits ;
- les risques liés aux engagements de retraites et indemnités de fin de carrière ;

- risques liés aux droits de propriété intellectuelle ; et
- engagements hors bilan.

Facteurs de Risque relatifs aux Titres

Il y a certains facteurs qui sont importants pour les besoins de l'évaluation des risques de marché liés aux Titres. Ceux-ci sont énumérés dans la rubrique "*Risk Factors*" et mentionnent notamment:

(i) Risques financiers

- **les Titres peuvent ne pas être un investissement approprié pour tous les investisseurs**
- **risques liés à la liquidité/la négociation des Titres**

Les Titres peuvent ne pas avoir un marché de négociations établi au moment de leur émission. Il ne peut être garanti qu'un marché actif des Titres se développera sur Euronext Paris ou qu'une liquidité existera à tout moment sur ce marché ainsi les investisseurs pourraient ne pas être en mesure de vendre leurs Titres avant la date d'échéance.

- **risques liés à la valeur de marché des Titres**

La valeur de marché des Titres peut être affectée par la solvabilité de l'Émetteur ou du Groupe et par certains autres facteurs.

- **risques liés aux taux de change et au contrôle des changes**

L'Émetteur paiera le principal et les intérêts des Titres dans la devise prévue par les Conditions Définitives. Pour les investisseurs dont les activités financières sont effectuées principalement dans une devise différente de la devise prévue par les Conditions Définitives, un risque lié à la conversion des devises et à la fluctuation des taux de change existera.

- **risques liés aux notations de crédit**

La notation des Titres ne reflète pas nécessairement l'impact potentiel de tous les risques liés aux Titres ni tous les autres facteurs (notamment la solvabilité de l'Émetteur) pouvant affecter la valeur des Titres.

En outre, il existe des risques liés à la structure d'une Souche particulière de Titres (notamment les Titres pouvant être remboursés de façon anticipée à l'initiative de l'Émetteur, Titres portant intérêt à taux flottant, Titres Liés à des Indices, Titres structurés, Titres à coupon zéro).

(ii) Risques juridiques

- **risques liés aux conflits d'intérêts potentiels entre l'Émetteur, les Agents placeurs ou leurs filiales respectives et les porteurs de Titres**
- **risques de modification, renonciation ou substitution des modalités des Titres par une décision de l'assemblée des porteurs de Titres par laquelle les porteurs non présents au vote ou en désaccord avec la majorité se retrouveront liés**
- **risques liés à la fiscalité (y compris les modifications relatives à la Directive européenne sur l'Épargne)**

Les acquéreurs et vendeurs potentiels de Titres doivent savoir qu'il est possible qu'ils aient à payer des taxes ou autre imposition ou droits similaires en application des lois et pratiques de l'État dans lequel les Titres sont transférés ou de d'autres Etats.

- **risques liés à un changement législatif**

Les Titres sont régis par la loi française à la date du Prospectus de Base. Aucune assurance ne peut être donnée quant aux conséquences d'une décision judiciaire ou d'une modification de la législation ou de son interprétation postérieure à la date du Prospectus de Base.

- **risques liés à l'acquisition légale des Titres**

- **risques liés à des restrictions réglementaires**

- **risques liés à la loi française sur les procédures collectives**

3. INFORMATIONS RELATIVES AU PROGRAMME

Émetteur	Peugeot S.A.
Arrangeur	BNP Paribas
Agents Placeur	BNP Paribas Crédit Agricole Corporate and Investment Bank Deutsche Bank AG, London Branch HSBC Bank plc Natixis The Royal Bank of Scotland plc Société Générale
Montant du Programme	Jusqu'à 5.000.000.000 € (ou la contre-valeur dans d'autres devises à la date d'émission d'un quelconque Titre) montant nominal total des Titres en circulation à tout moment.
Agent Fiscal et Agent Payeur Principal	BNP Paribas Securities Services
Méthode d'Émission	Les Titres seront émis sur base syndiquée ou non syndiquée.
Échéances	Toute échéance convenue entre l'Émetteur et l'Agent Placeur ou les Agents Placeurs concerné(s). Les Titres peuvent ne pas avoir d'échéance fixe.
Devises	Les Titres pourront être émis en toute devise convenue entre l'Émetteur et l'Agent Placeur ou les Agents Placeurs concerné(s).
Valeur(s) Nominale(s)	Les Titres seront libellés dans la ou les valeur(s) nominale(s) prévues dans les Conditions Définitives applicables, étant entendu que la valeur nominale minimum de chaque Titre coté et admis à la négociation sur un Marché Réglementé, ou offert au public dans un État Membre de l'EEE où la publication d'un prospectus au sens de la Directive Prospectus est requise, sera de 1.000 € (ou si les Titres sont libellés dans une devise autre que l'euro, le montant correspondant dans cette devise à la date d'émission) ou

d'un montant supérieur de temps à autre permis ou exigé par la banque centrale compétente (ou entité équivalente) ou par toutes lois ou réglementations applicables à la devise prévue concernée.

Forme des Titres

Les Titres peuvent être émis soit sous la forme de titres dématérialisés (**Titres Dématérialisés**) soit sous la forme de titres matérialisés (**Titres Matérialisés**).

Rang des Titres

Les Titres sont des Titres senior. Les Titres constitueront des engagements directs, inconditionnels, non subordonnés et non assortis de sûretés de l'Émetteur.

Maintien de l'Emprunt à son Rang

Les Titres bénéficieront de dispositions relatives au maintien de l'emprunt.

**Cas de Défaut
(y compris le défaut croisé)**

Les Titres bénéficieront de dispositions relatives à des cas de défaut et de défaut croisé.

Périodes d'Intérêts et Taux d'Intérêt

Les Titres peuvent être des Titres à Taux Fixe, des Titres à Taux Variable, des Titres à Coupon Zéro, des Titres à Coupon en Deux Devises ou des Titres indexés sur Indice. Les informations relatives à la longueur des périodes d'intérêts, au taux d'intérêt applicable et à son mode de calcul seront précisées dans les Conditions Définitives applicables.

Montant de Remboursement

Les Conditions Définitives applicables stipuleront la base de calcul des montants de remboursement payables.

Remboursement Optionnel

Les Conditions Définitives applicables préciseront si les Titres peuvent être remboursés avant leur maturité initiale au gré de l'Émetteur (en tout ou partie) et/ou, des Titulaires de Titres (notamment en cas de changement de contrôle de l'Émetteur) et, le cas échéant, les conditions applicables à ce remboursement.

Remboursement Anticipé

A l'exception de ce qui est prévu dans le paragraphe "*Remboursement Optionnel*" ci-dessus, les Titres seront remboursables avant leur maturité au gré de l'Émetteur uniquement pour des raisons fiscales.

Fiscalité des Titres

Les paiements du principal, des intérêts et autres produits effectués par ou pour le compte de l'Émetteur se rapportant aux Titres ne seront pas soumis à une retenue à la source ou à une déduction d'impôts, taxes, droits, ou charges gouvernementales d'une quelconque nature que ce soit, imposée, prélevée, collectée, retenue ou fixée par la France ou en France ou toute autre autorité française ayant le pouvoir de prélever l'impôt, à moins que cette retenue à la source ou déduction ne soit imposée par la loi.

Si la loi applicable impose que des paiements de principal ou d'intérêt par l'Émetteur sur un Titre, un Reçu ou un Coupon soient soumis à une retenue à la source ou à une déduction d'impôts ou de droits d'une quelconque nature, présents ou futures, prélevés par la France, l'Émetteur devra, sauf dans certains cas limités, et dans la mesure où cela lui est permis par la loi, payer les montants additionnels nécessaires afin de permettre aux Titulaires des

Titres ou, le cas échéant, aux Titulaires des Reçus ou des Coupons, de recevoir les montants qu'ils auraient perçus en l'absence de toute retenue à la source ou déduction.

Chaque investisseur devra revoir attentivement la Condition relative au "**Rachat des Titres pour des Raisons Fiscales**", la Condition relative à la "**Fiscalité**" et la section "**Fiscalité**" de ce Prospectus de Base. Chaque titulaire ou bénéficiaire potentiel des Titres devra consulter son conseiller fiscal en ce qui concerne les conséquences fiscales de tout investissement ou détention de Titres.

Droit applicable

Les Titres sont régis par le droit français.

Dépositaires / Systèmes de Règlement-livraison

Euroclear France, Clearstream, Luxembourg et/ou Euroclear ou tout autre système de règlement-livraison spécifié dans les Conditions Définitives.

Prix d'Émission

Les Titres peuvent être émis à leur montant nominal ou en dessous du pair ou avec prime.

Cotation et Admission à la négociation

Cotation et admission à la négociation sur Euronext Paris, ou tel que stipulé dans les Conditions Définitives. Une Souche de Titres peut ne pas être cotée.

Offre au Public

Les Titres émis par l'Émetteur pourront être offerts au public en France et/ou dans un État Membre quelconque de l'EEE vers lequel le Prospectus de Base est passeporté.

Méthode de Publication de ce Prospectus de Base et des Conditions Définitives

Ce Prospectus de Base, tout supplément à celui-ci et les Conditions Définitives relatives aux Titres cotés et admis à la négociation sur Euronext Paris seront publiés sur le site internet de l'AMF (www.amf-france.org) et des copies pourront être obtenues dans les bureaux de l'Agent Fiscal ou de chacun des Agents Payeurs, ou par le biais de tout autre moyen conformément aux dispositions de l'Article 14 de la Directive Prospectus. Les Conditions Définitives indiqueront où le Prospectus de Base pourra être obtenu.

Notation

L'Émetteur a été noté BB+ (perspective négative) par Standard & Poor's Rating Services (**Standard & Poor's**) le 16 février 2012 et Ba1 (perspective négative) par Moody's Investors Service Ltd (**Moody's**) le 1 mars 2012. Standard & Poor's et Moody's sont établis dans l'Union Européenne et enregistrés conformément au Règlement (CE) No. 1060/2009 du Parlement Européen et du Conseil du 16 septembre 2009 sur les agences de notation de crédit tel que modifié par le Règlement (UE) No. 513/2011 (le **Règlement ANC**) et figurent sur la liste des agences de notation enregistrées conformément au Règlement ANC publiée par l'*European Securities and Markets Authority* sur son site internet à la date du présent Prospectus.

Les Tranches de Titres émis dans le cadre du Programme peuvent faire l'objet d'une notation ou pas. La notation d'une Tranche de Titres (s'il y en a une) sera spécifiée dans les Conditions

Définitives. Les Conditions Définitives concernées préciseront si les notations de crédit concernées sont émises ou non par une agence de notation de crédit établie dans l'Union Européenne et enregistrée conformément au Règlement ANC. Une notation ne constitue pas une recommandation d'acheter, de vendre ou de détenir des Titres et pourra faire l'objet d'une suspension, d'un changement ou d'un retrait à tout moment par l'agence de notation l'ayant attribuée.

Une notation n'est pas une recommandation d'acheter, vendre ou détenir des titres et pourra faire l'objet d'une suspension, d'un changement ou d'un retrait à tout moment par l'agence de notation l'ayant attribuée.

Restrictions de Vente

Il y a des restrictions applicables à l'offre et à la vente de Titres ainsi qu'à la distribution de tout support commercial dans diverses juridictions. Pour une Tranche particulière, des restrictions de vente supplémentaires pourront être précisées dans les Conditions Définitives concernées.

L'Émetteur fait partie de la Catégorie 2 sous la *Regulation S*.

GENERAL DESCRIPTION OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. The Issuer and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, in the case of listed Notes only and if appropriate, a supplemental Base Prospectus will be published.

This section constitutes a general description of the Programme for the purposes of Article 22.5(3) of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive.

Words and expressions defined in "*Terms and Conditions of the Notes*" shall have the same meanings in this General Description.

Description	Euro Medium Term Note Programme for the continuous offer of Notes (the Programme).
Issuer	Peugeot S.A.
Arranger	BNP Paribas
Dealers	BNP Paribas Crédit Agricole Corporate and Investment Bank Deutsche Bank AG, London Branch HSBC Bank plc Natixis The Royal Bank of Scotland plc Société Générale
	<p>The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Base Prospectus to Permanent Dealers are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to Dealers are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.</p> <p>At the date of this Base Prospectus, only credit institutions and investment firms incorporated in a member state of the European Union (EU) and which are authorised by the relevant authority of such member home state to lead manage bond issues in such member state may act (a) as Dealers with respect to non-syndicated issues of Notes denominated in Euro and (b) as lead manager of issues of Notes denominated in Euro issued on a syndicated basis.</p>
Programme Limit	Up to €5,000,000,000 (or the equivalent in other currencies at the date of issue of any Notes) aggregate nominal amount of Notes outstanding at any one time.
Fiscal Agent and Principal Paying Agent	BNP Paribas Securities Services

Method of Issue

The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a **Series**) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a **Tranche**) on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in the Final Terms to this Base Prospectus (the **Final Terms**).

Maturities

Subject to compliance with all relevant laws, regulations and directives, any maturity as agreed between the Issuer and the relevant Dealer(s). Notes may have no fixed maturity.

Currencies

Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in euro, U.S. dollars, Japanese yen, Swiss francs, Sterling, Renminbi and in any other currency agreed between the Issuer and the relevant Dealer(s).

Denomination(s)

Notes will be in such denomination(s) as may be specified in the relevant Final Terms, save that the minimum denomination of each Note listed and admitted to trading on a Regulated Market or offered to the public in a Member State of the EEA in circumstances which require publication of a prospectus under the Prospectus Directive will be €1,000 (or if the Notes are denominated in a currency other than euro, the equivalent amount in such currency at the issue date) or such higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant specified currency.

Unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in Sterling) having a maturity of less than one year from the date of issue and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the Financial Services and Markets Act 2000 (the **FSMA**) will have a minimum denomination of £100,000 (or its equivalent in other currencies).

Form of Notes

Notes may be issued either in dematerialised form (**Dematerialised Notes**) or in materialised form (**Materialised Notes**). Dematerialised Notes will not be exchangeable for Materialised Notes and Materialised Notes will not be exchangeable for Dematerialised Notes.

Dematerialised Notes may, at the option of the Issuer, be issued in bearer dematerialised form (*au porteur*) or in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder, in either fully registered (*au*

nominatif pur) or administered registered (*au nominatif administré*) form.

The relevant Final Terms will specify whether Dematerialised Notes issued by the Issuer are to be in bearer (*au porteur*) dematerialised form or in registered (*au nominatif*) dematerialised form.

No physical documents of title will be issued in respect of Dematerialised Notes.

Materialised Notes will be in bearer form (**Materialised Bearer Notes**) only. A Temporary Global Certificate will be issued initially in respect of each Tranche of Materialised Bearer Notes. Materialised Notes may only be issued outside France.

Conversion of Notes

In the case of Dematerialised Notes, the Noteholders will not have the option to convert from registered (*au nominatif*) form to bearer (*au porteur*) dematerialised form and vice versa.

In the case of Dematerialised Notes issued in registered form (*au nominatif*), the Noteholders will have the option to convert from fully registered dematerialised form (*au nominatif pur*) to administered registered dematerialised form (*au nominatif administré*) and vice versa.

Status of the Notes

The Notes and, if applicable any Receipts and Coupons relating to them, will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4 (*Negative Pledge*)) unsecured obligations of the Issuer and will rank *pari passu* without preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with any other present or future, unsecured and unsubordinated obligations of the Issuer from time to time outstanding without preference or priority by reason of date of issue, currency of payment or otherwise.

Negative Pledge

There will be a negative pledge in respect of the Notes as set out in Condition 4 - see "***Terms and Conditions of the Notes - Negative Pledge***".

Event of Default (including cross-default)

There will be events of default and a cross-default in respect of the Notes as set out in Condition 9 - see "***Terms and Conditions of the Notes - Events of Default***".

Redemption Amount

The relevant Final Terms will specify the basis for calculating the redemption amounts payable. Unless otherwise permitted by the then current laws and regulations, Notes (including Notes denominated in Sterling) having a maturity of less than one year from the date of issue and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the Financial Services and Markets Act 2000 (the **FSMA**) must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).

Optional Redemption	The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or, the Noteholders (in particular in case of change of control of the Issuer) and, if so, the terms applicable to such redemption.
Redemption by instalments	The Final Terms issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.
Early Redemption	Except as provided in " <i>Optional Redemption</i> " above, Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons. See " <i>Terms and Conditions of the Notes - Redemption, Purchase and Options</i> ".
Taxation	<p>All payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.</p> <p>If applicable law should require that payments of principal or interest made by the Issuer in respect of any Note, Receipt or Coupon be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever levied by the Republic of France, the Issuer, will, save in certain limited circumstances, to the fullest extent then permitted by law, pay such additional amounts as shall result in receipt by the Noteholders or, if applicable, the Receiptholders and the Couponholders, as the case may be, of such amounts as would have been received by them had no such withholding or deduction been required.</p> <p>Investors should carefully review the "<i>Terms and Conditions of the Notes – Redemption, Purchase, and Options – Redemption for Taxation Reasons</i>", the "<i>Terms and Conditions of the Notes – Taxation</i>" and the "<i>Taxation</i>" section of this Base Prospectus. Each prospective holder or beneficial owner of Notes should consult its tax adviser as to the tax consequences of any investment in or ownership and disposition of the Notes.</p>
Interest Periods and Interest Rates	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Final Terms.
Fixed Rate Notes	Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.
Floating Rate Notes	Floating Rate Notes will bear interest determined separately for

each Series as follows:

- (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc.; or
- (ii) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency pursuant to the FBF Master Agreement relating to transactions on forward financial instruments as published by *Fédération Bancaire Française (FBF)* in September 2007; or
- (iii) by reference to LIBOR, LIBID, LIMEAN or EURIBOR (or such other benchmark as may be specified in the relevant Final Terms), in each case as adjusted for any applicable margin.

Interest periods will be specified in the relevant Final Terms.

Zero Coupon Notes

Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.

Dual Currency Notes

Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as may be specified in the relevant Final Terms.

Index Linked Notes

Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula as may be specified in the relevant Final Terms.

Other Notes

Terms applicable to high interest Notes, low interest Notes, step-up Notes, step-down Notes, reverse dual currency Notes, optional dual currency Notes, Partly Paid Notes and any other type of Notes that the Issuer and any Dealer or Dealers may agree to issue under the Programme will be set out in the relevant Final Terms.

Redenomination

Notes issued in the currency of any Member State of the EU which will participate in the single currency of the European and Economic Monetary Union may be redenominated into euro, all as more fully provided in "*Terms and Conditions of the Notes - Form, Denomination(s), Title and Redenomination of the Notes*" below.

Consolidation

Notes of one Series may be consolidated with Notes of another Series as more fully provided in "*Terms and Conditions of the Notes - Further Issues and Consolidation*".

Governing Law

The Notes are governed by French law.

Depositories/Clearing Systems

Euroclear France as central depository in relation to Dematerialised

	<p>Notes and Clearstream, Luxembourg, Euroclear or any other clearing system that may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer in relation to Materialised Notes. Transfers between Euroclear and Clearstream, Luxembourg participants, on the one hand, and Euroclear France Account Holders, on the other hand, shall be effected directly or via their respective depositaries in accordance with applicable rules and operating procedures established for this purpose by Euroclear and Clearstream, Luxembourg, on the one hand, and Euroclear France on the other hand.</p>
Initial Delivery of Dematerialised Notes	<p>One Paris business day before the issue date of each Tranche of Dematerialised Notes, the <i>Lettre Comptable</i> relating to such Tranche shall be deposited with Euroclear France as central depositary.</p>
Initial Delivery of Materialised Notes	<p>On or before the issue date for each Tranche of Materialised Bearer Notes, the Temporary Global Certificate issued in respect of such Tranche shall be deposited with a common depositary for Euroclear and Clearstream, Luxembourg or with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer.</p>
Issue Price	<p>Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. Partly Paid Notes may be issued, the issue price of which will be payable in two or more instalments.</p>
Listing and Admission to trading	<p>Listing and admission to trading on Euronext Paris, or as otherwise specified in the relevant Final Terms. A Series of Notes may be unlisted.</p>
Offer to the Public	<p>Notes issued by the Issuer may be offered to the public in France and in any other Member State of the European Economic Area in which the Base Prospectus is passported.</p>
Risk factors relating to the Notes	<p>There are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. These are set out under "<i>Risk Factors</i>" and include the fact that the Notes may not be a suitable investment for all investors, certain risks relating to the structure of particular Series of Notes and certain market risks.</p>
Method of Publication of this Base Prospectus and the Final Terms	<p>This Base Prospectus, any supplement to this Base Prospectus and the Final Terms related to the Notes listed and admitted to trading on Euronext Paris will be published on the website of the AMF (www.amf-france.org) and copies may be obtained at the offices of the Fiscal Agent or each of the Paying Agents, or through any other means in accordance with the terms of Article 14 of the Prospectus Directive. The Final Terms will indicate where the Base Prospectus may be obtained. In addition, if the Notes are listed and admitted to trading on a Regulated Market other than Euronext Paris, the relevant Final Terms will provide whether additional methods of publication are required and what they consist of.</p>

Ratings:

The Issuer has been assigned a rating of BB+ (negative outlook) by Standard & Poor's Rating Services (**Standard & Poor's**) on 16 February 2012 and a rating of Ba1 (negative outlook) by Moody's Investors Service Ltd. (**Moody's**) on 1 March 2012. Standard & Poor's and Moody's are established in the European Union and registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies as amended by Regulation (EU) No. 513/2011 (the **CRA Regulation**) and included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority's website as of the date of this Prospectus.

Tranches of Notes issued under the Programme may be rated or unrated. The rating of a Tranche of Notes (if any) will be specified in the Final Terms. The relevant Final Terms will specify whether or not such credit ratings are issued by a credit rating agency established in the European Union and registered under the CRA Regulation.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

Selling Restrictions

There are restrictions on the offers and sale of Notes and the distribution of offering material in various jurisdictions. See "**Subscription and Sale**". In connection with the offering and sale of a particular Tranche, additional selling restrictions may be imposed which will be set out in the relevant Final Terms.

The Issuer is a Category 2 for the purposes of Regulation S.

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes issued under the Programme. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons and the Issuer do not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus (including any documents incorporated by reference herein) and the Final Terms of the relevant Notes and reach their own views prior to making any investment decision.

The order in which the following risks factors are presented is not an indication of the likelihood of their occurrence.

Terms defined herein shall have the same meaning as in the "Terms and Conditions of the Notes".

RISK FACTORS RELATING TO THE ISSUER

For details on the risk factors relating to the Issuer refer to pages 13 to 28 of the 2011 Registration Document (as defined in section "**Documents Incorporated by Reference**") which is incorporated by reference into this Base Prospectus.

RISK FACTORS RELATING TO THE NOTES

The following paragraphs describe some of the risk factors that are material to the Notes to be offered and/or admitted to trading in order to assess the market risk associated with the Notes. They do not describe all the risks of an investment in the Notes. Prospective investors should consult their own financial and legal advisers about risks associated with investment in a particular Series of Notes and the suitability of investing in the Notes in light of their particular circumstances. These risk factors may be completed in the Final Terms of the relevant Notes for a particular issue of Notes.

1. General Risks relating to the Notes

Independent Review and Advice

Each prospective investor in the Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Notes.

A prospective investor may not rely on the Issuer or the Dealer(s) or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above.

Potential Conflicts of Interest

Each of the Issuer, the Dealer(s) or their respective affiliates may deal with and engage generally in any kind of commercial or investment banking or other business with any issuer of the securities taken up in an index, their respective affiliates or any guarantor or any other person or entities having obligations relating to any issuer of the securities taken up in an index or their respective affiliates or any guarantor in the same manner as if any index-linked Notes issued under the Programme did not exist, regardless of whether any such action might have an adverse effect on an issuer of the securities taken up in the index, any of their respective affiliates or any guarantor.

The Issuer may from time to time be engaged in transactions involving an index or related derivatives which may affect the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the Noteholders.

Potential conflicts of interest may arise between the Calculation Agent, if any, for a Tranche of Notes and the Noteholders, including with respect to certain discretionary determinations and judgments that such Calculation Agent may make pursuant to the Terms and Conditions of the Notes that may influence the amount receivable upon redemption of the Notes.

Legality of Purchase

Neither the Issuer, the Dealer(s) nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor in the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

Modification, waivers and substitution

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

Regulatory Restrictions

Investors whose investment activities are subject to investment laws and regulations or to review or regulation by certain authorities may be subject to restrictions on investments in certain types of debt securities. Investors should review and consider such restrictions prior to investing in the Notes.

Taxation

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial instruments such as the Notes. Potential investors cannot rely upon the tax summary contained in this Base Prospectus and/or in the Final Terms but should ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, sale and redemption of the Notes. Only these advisers are in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation sections of this Base Prospectus and the additional tax sections, if any, contained in the relevant Final Terms.

EU Savings Directive

On 3 June 2003, the European Council of Economics and Finance Ministers adopted a directive 2003/48/EC on the taxation of savings income under the form of interest payments (the **Savings Directive**). The Savings Directive requires Member States, to provide to the tax authorities of other Member States details of payments of interest and other similar income made by a paying agent located within their jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State, except that, for a transitional period, Luxembourg and Austria will instead withhold an amount on interest payments unless the relevant beneficial owner elects otherwise and authorises the paying agent to disclose the above information (see "**Taxation – EU Savings Directive**").

Pursuant to the Terms and Conditions of the Notes, if a payment were to be made or collected through a Member State which has opted for a withholding system under the Savings Directive and an amount of, or in respect of, tax is withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note, as a result of the imposition of such withholding tax.

The European Commission has proposed certain amendments to the Savings Directive which may, if implemented, amend or broaden the scope of the requirements described above.

Change of Law

The Terms and Conditions of the Notes are based on French legislation in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in French laws or administrative practice after the date of this Base Prospectus.

French Insolvency Law

Under French insolvency law, holders of debt securities are automatically grouped into a single assembly of holders (the **Assembly**) in order to defend their common interests in case of the opening in France of an accelerated financial preservation (*procédure de sauvegarde financière accélérée*), a preservation (*procédure de sauvegarde*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) is opened in France with respect to the Issuer.

The Assembly comprises holders of all debt securities issued by the Issuer (including the Notes), whether or not under a debt issuance programme (such as a Euro Medium Term Notes programme) and regardless of their governing law.

The Assembly deliberates on the draft safeguard plan (*projet de plan de sauvegarde*), draft accelerated financial safeguard plan (*projet de plan de sauvegarde financière accélérée*) or draft judicial reorganisation plan (*projet de plan de redressement*) applicable to the Issuer and may further agree to:

- increase the liabilities (*charges*) of holders of debt securities (including the Noteholders) by rescheduling due payments and/or partially or totally writing-off receivables in the form of debt securities;
- establish an unequal treatment between holders of debt securities (including the Noteholders) as appropriate under the circumstances; and/or
- decide to convert debt securities (including the Notes) into securities that give or may give right to share capital.

Decisions of the Assembly will be taken by a two-third majority (calculated as a proportion of the debt securities held by the holders which have cast a vote at such Assembly). No quorum is required to convoke the Assembly.

For the avoidance of doubt, the provisions relating to the Representation of the Noteholders described in the Terms and Conditions of the Notes set out in this Base Prospectus and, if applicable, the applicable Final Terms will not be applicable to the extent that they are not in compliance with compulsory insolvency law provisions that apply in these circumstances.

The procedures, as described above or as they will or may be amended, could have an adverse impact on holders of the Notes seeking repayment in the event that the Issuer or its subsidiaries were to become insolvent.

No active secondary market for the Notes

The Notes may not have an established trading market when issued. There can be no assurance of a secondary market for the Notes or the continued liquidity of such market if one develops.

The development or continued liquidity of any secondary market for the Notes will be affected by a number of factors such as general economic conditions, the financial condition and/or, the creditworthiness of the Issuer and/or the Group, and the value of any applicable reference rate, as well as other factors such as the complexity and volatility of the reference rate, the method of calculating the return to be paid in respect of such Notes, the time remaining to the maturity of the Notes, the outstanding amount of the Notes, any redemption features of the Notes, the performance of other instruments (e.g., commodities or securities) linked to the reference rates and the level, direction and volatility of interest rates generally. Such factors also will affect the market value of the Notes. In addition, certain Notes may be designed for specific investment objectives or strategies and therefore may have a more limited secondary market and experience more price volatility than conventional debt securities.

Investors may not be able to sell Notes readily or at prices that will enable investors to realise their anticipated yield. No investor should purchase Notes unless the investor understands and is able to bear the risk that certain Notes will not be readily sellable, that the value of Notes will fluctuate over time and that such fluctuations will be significant.

Exchange Rate Risks and Exchange Controls

The principal of, or any return on, Notes may be payable in, or determined by reference or indexed to, one or more specified currencies (including exchange rates and swap indices between currencies or currency units). For investors whose financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than the specified currency in which the related Notes are denominated, or where principal or return in respect of Notes is payable by reference to the value of one or more specified currencies other than by reference solely to the Investor's Currency, an investment in such Notes entails significant risks that are not associated with a similar investment in a debt security denominated and payable in such Investor's Currency. Such risks include, without limitation, the possibility of significant fluctuations in the rate of exchange between the applicable specified currency and the Investor's Currency and the possibility of the imposition or modification of exchange controls by authorities with jurisdiction over such specified currency or the Investor's Currency. Such risks generally depend on a number of factors, including financial, economic and political events over which the Issuer has no control.

Appreciation in the value of the Investor's Currency relative to the value of the applicable specified currency would result in a decrease in the Investor's Currency-equivalent yield on a Note denominated, or the principal of or return on which is payable, in such specified currency, in the Investor's Currency-equivalent value of the principal of such Note payable at maturity (if any) and

generally in the Investor's Currency-equivalent market value of such Note. In addition, depending on the specific terms of a Note denominated in, or the payment of which is determined by reference to the value of, one or more specified currencies (other than solely the Investor's Currency), indices (including exchange rates and swap indices between currencies or currency units) or formulas, fluctuations in exchange rates relating to any of the currencies or currency units involved could result in a decrease in the effective yield on such Note and, in certain circumstances, could result in a loss of all or a substantial portion of the principal of such Note to the investor.

Government and monetary authorities have imposed from time to time, and may in the future impose, exchange controls that could affect exchange rates, as well as the availability, of the specified currency in which a Note is payable at the time of payment of the principal or return in respect of such Note.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed in this section, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Market Value of the Notes

The market value of the Notes will be affected by the creditworthiness of the Issuer and/or that of the Group and a number of additional factors, including the value of the reference assets or an index, including, but not limited to, the volatility of the reference assets or an index, or the dividend on the securities taken up in the index, market interest and yield rates and the time remaining to the maturity date.

The value of the Notes, the reference assets or the index depends on a number of interrelated factors, including economic, financial and political events in France or elsewhere, including factors affecting capital markets generally and the stock exchanges on which the Notes, the reference assets, the securities taken up in the index, or the index are traded. The price at which a Noteholder will be able to sell the Notes prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser. The historical market prices of the reference assets or an index should not be taken as an indication of the reference assets' or an index's future performance during the term of any Note.

2. Risks relating to the structure of a particular issue of Notes

The Programme allows for different types of Notes to be issued. Accordingly, each Tranche of Notes may carry varying risks for potential investors depending on the specific features of such Notes such as, inter alia, the provisions for computation of periodic interest payments, if any, redemption and issue price.

Optional Redemption

Any optional redemption feature where the Issuer is given the right to redeem the Notes early might negatively affect the market value of such Notes. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. Furthermore, since the Issuer may be expected to redeem the Notes when prevailing interest rates are relatively low, an investor might not be able to reinvest the redemption proceeds at an effective interest rate as high as the return that would have been received on such Notes had they not been redeemed.

Exercise of the Put Option in case of Change of Control in respect of certain Notes may affect the liquidity of the Notes of the same Series in respect of which such option is not exercised

Depending on the number of Notes of the same Series in respect of which the Put Option in case of Change of Control provided in the relevant Final Terms is exercised, any trading market in respect of those Notes in respect of which such option is not exercised may become illiquid.

Fixed Rate Notes

Investment in Notes which bear interest at a fixed rate involves the risk that subsequent changes in market interest rates may adversely affect the value of the relevant Tranche of Notes.

Floating Rate Notes

Investment in Notes which bear interest at a floating rate (i) comprise a reference rate and (ii) may comprise a margin to be added or subtracted, as the case may be, from such base rate. Typically, the relevant margin (if any) will not change throughout the life of the Notes but there will be a periodic adjustment (as specified in the relevant Final Terms) of the reference rate (e.g., every three months or six months) which itself will change in accordance with general market conditions. Accordingly, the market value of floating rate Notes may be volatile if changes, particularly short term changes, to market interest rates evidenced by the relevant reference rate can only be reflected in the interest rate of these Notes upon the next periodic adjustment of the relevant reference rate.

Inverse Floating Rate Notes

Inverse floating rate Notes have an interest rate equal to a fixed base rate minus a rate based upon a reference rate. The market value of such Notes typically is more volatile than the market value of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse floating rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Index-linked Notes

Index-linked Notes are debt securities which do not provide for predetermined redemption amounts and/or interest payments but amounts due in respect of principal and/or interest will be dependent upon the performance of an index, which itself may contain substantial credit, interest rate or other risks. The amount of principal and/or interest, if any, payable by the Issuer might be substantially less than the issue price or, as the case may be, the purchase price invested by the Noteholder and may even be zero in which case the Noteholder may lose its entire investment.

Index-linked Notes are not in any way sponsored, endorsed, sold or promoted by the index sponsor or the respective licensor of the index and such index sponsor or licensor makes no warranty or representation whatsoever, express or implied, either as to the results to be obtained from the use of the index and/or the figure at which the index stands at any particular time. Each index is determined, composed and calculated by its respective index sponsor or licensor, without regard to the Issuer or the Notes. None of the index sponsors or licensors is responsible for or has participated in the determination of the timing of, prices of, or quantities of the Notes to be issued or in the determination or calculation of the equation by which the Notes settle into cash. None of the index sponsors or licensors has any obligation or liability in connection with the administration, marketing or trading of the Notes. The index sponsor or licensor of an index has no responsibility for any calculation agency adjustment made for the index.

None of the Issuer, the Dealer(s) or any of their respective affiliates makes any representation as to an index. Any of such persons may have acquired, or during the term of the Notes may acquire, non-public information with respect to an index that is or may be material in the context of index-linked Notes. The issue of index-linked Notes will not create any obligation on the part of any such persons to disclose to the Noteholder or any other party such information (whether or not confidential).

Partly Paid Notes

The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of his investment.

Variable rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features, their market values may be even more volatile than those for securities that do not include those features.

Structured Notes

An investment in Notes, the premium and/or the interest on or principal of which is determined by reference to one or more values of currencies, commodities, interest rates or other indices or formulae, either directly or inversely, may entail significant risks not associated with similar investments in a conventional debt security, including the risks that the resulting interest rate will be less than that payable on a conventional debt security at the same time and/or that an investor may lose the value of its entire investment or part of it, as the case may be. Neither the current nor the historical value of the relevant currencies, commodities, interest rates or other indices or formulae should be taken as an indication of future performance of such currencies, commodities, interest rates or other indices or formulae during the term of any Notes.

Zero Coupon Notes

The prices at which Zero Coupon Notes, as well as other Notes issued at a substantial discount from their principal amount payable at maturity, trade in the secondary market tend to fluctuate more in relation to general changes in interest rates than do the prices for conventional interest-bearing securities of comparable maturities.

RMB Notes

RMB is not freely convertible; there are significant restrictions on remittance of RMB into and out of the PRC and the liquidity of the Notes denominated in RMB may be adversely affected

RMB is not freely convertible at present. The PRC government continues to regulate conversion between RMB and foreign currencies, despite the significant reduction over the years by the PRC government of control over routine foreign exchange transactions under current accounts. Participating banks in Hong Kong have been permitted to engage in the settlement of RMB trade transactions under a pilot scheme introduced in July 2009. This represents a current account activity. The pilot scheme was extended in June 2010 to cover twenty provinces and cities in the PRC and was further expanded in August 2011 to (i) cover all provinces and cities in the PRC and (ii) make RMB trade and other current account item settlement available in all countries worldwide. The PRC regulatory authorities (including the PBOC, the Ministry of Commerce (**MOFCOM**) and the State Administration of Foreign Exchange (**SAFE**)) have issued certain PRC regulations on the remittance of RMB into the PRC for settlement of capital account items in the forms of cross-border transfers of capital and direct investments in RMB, and foreign investors may only remit offshore RMB into the PRC for direct investments with RMB that it has generated from cross-border trade settlement, that is lawfully remitted out of the PRC or that is lawfully obtained by it outside the PRC upon obtaining the approvals required under the regulations issued or to be issued by the relevant PRC authorities.

In 2011, the PRC government issued certain new rules imposing significant restrictions to the remittance of RMB into and out of the PRC, including, among other things, restrictions on the remittance of RMB into the PRC by way of direct investments or loans. On 25 February 2011, MOFCOM promulgated the Circular on Issues concerning Foreign Investment Management (the **MOFCOM Circular**). Under the MOFCOM Circular, if a foreign investor intends to make investments in the PRC with RMB funds generated from cross-border trade settlement or otherwise lawfully obtained outside the PRC, whether by way of establishing a new enterprise, increasing the registered capital of an existing enterprise, acquiring an onshore enterprise or providing loan facilities, prior written consent from the Ministry of Commerce (Foreign Investment Department) is required. On 3 June 2011, the PBOC issued the PBOC Circular. Pursuant to the PBOC Circular, if a foreign investor intends to make investments in the PRC with RMB funds it lawfully obtained outside the PRC, whether by way of establishing a new enterprise, increasing the registered capital of an existing enterprise, acquiring an onshore enterprise (excluding any round-tripping acquisition) or providing loan facilities, it shall, in addition to the approval from the Ministry of Commerce (Foreign Investment Department) in accordance with the MOFCOM Circular, also obtain an approval from the PBOC. To facilitate RMB inbound direct investments by foreign investors, the Ministry of Commerce promulgated the Circular on Issues Concerning Cross-Border RMB Direct Investment (the **New MOFCOM Circular**) on 12 October 2011, and the PBOC issued the Administrative Measures on Settlement of Cross-Border RMB Direct Investment (the **PBOC Measures**) on 13 October 2011.

According to the New MOFCOM Circular, the local counterparts of the Ministry of Commerce are authorised to review and approve cross-border RMB direct investments in accordance with the administrative regulations on foreign investments currently in force and the authorities granted under these regulations; however, for investments in the amount of RMB 300 million or more and investments relating to (i) financial guarantee, finance lease, micro-financing, auction and similar businesses, (ii) foreign-invested investment companies, foreign-invested venture capital investment

or equity investment enterprises, and (iii) cement, iron and steel, electrolytic aluminum, shipbuilding and similar industries that are subject to macro-control measures, the provincial level counterparts of the Ministry of Commerce must submit the application documents to the Ministry of Commerce for review and approval before issuing the official approval. To the extent that any provisions in previous rules are inconsistent with the provisions in the New MOFCOM Circular, the provisions in the New MOFCOM Circular should prevail. According to the PBOC Measures, foreign investors, foreign-invested enterprises or their Chinese shareholders may submit applications to domestic banks to open RMB bank settlement accounts for deposit and settlement of RMB funds remitted into China in accordance with the Administrative Measures on RMB Bank Settlement Accounts for Foreign Institutions and the Administrative Measures on RMB Bank Settlement Accounts. After examining the approval or filing documents issued by the Ministry of Commerce, its local counterparts or other relevant regulatory authorities in relation to cross-border RMB direct investments, domestic banks are permitted to process foreign investors' requests for remittance of offshore RMB funds into the PRC. To the extent that any provisions in previous rules are inconsistent with the provisions in the PBOC Measures, the provisions in the PBOC Measures shall prevail.

As these regulations and rules are relatively new, their interpretation and enforcement involve uncertainty.

There is no assurance that the PRC government will continue to gradually liberalise the control over cross-border RMB remittances in the future, that the pilot scheme introduced in the July 2009 will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of RMB funds into or out of the PRC.

The current size of RMB and RMB denominated financial assets in Hong Kong is limited, and its growth is subject to many constraints which are directly affected by PRC laws and regulations on foreign exchange and may adversely affect the liquidity of Notes denominated in RMB.

RMB currency risk

Except in limited circumstances, all payments of RMB under Notes denominated in RMB to an investor will be made solely by transfer to a RMB bank account maintained in Hong Kong by such investor in accordance with the prevailing rules and regulations and in accordance with the terms and conditions of the Notes. The Issuer cannot be required to make payment by any other means (including in bank notes or by transfer to a bank account in the PRC or anywhere else outside Hong Kong). RMB is not freely convertible at present, and conversion of RMB into other currencies through banks in Hong Kong is subject to certain restrictions. In particular, for personal investors, currently conversions of RMB conducted through RMB deposit accounts are subject to a daily limit (as of the date hereof, such limit being up to RMB 20,000 per person per day), and investors may have to allow time for conversion of RMB from/to another currency of an amount exceeding such daily limit.

In addition, there can be no assurance that access to RMB for the purposes of making payments under such Notes or generally may remain or will not become restricted. If it becomes impossible to convert RMB from/to another freely convertible currency, or transfer RMB between accounts in Hong Kong, or the general RMB exchange market in Hong Kong becomes illiquid, any payment of RMB under the Notes may be delayed or the Issuer may make such payments in another currency selected by the Issuer using an exchange rate determined by the Calculation Agent, or the Issuer may redeem the Notes by making payment in another currency.

RMB exchange rate risk

The value of RMB against the Hong Kong dollar and other foreign currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and by many

other factors. The Issuer will make all RMB payments under Notes denominated in RMB in RMB (subject to the second paragraph under the heading "*RMB currency risk*" above). As a result, the value of such payments in RMB (in Hong Kong dollars or other applicable foreign currency terms) may vary with the prevailing exchange rates in the marketplace. If the value of RMB depreciates against the Hong Kong dollar or other foreign currencies, the value of an investor's investment in Hong Kong dollars or other applicable foreign currency terms will decline.

RMB interest rate risk

Where applicable, the value of RMB payments under Notes denominated in RMB may be susceptible to interest rate fluctuations.

Consequently, the trading price of such Notes will vary with fluctuations in RMB interest rates. If a Noteholder tries to sell such Notes before their maturity, he may receive an offer that is less than his original investment.

DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the sections referred to in the table below included in:

- (1) the English version of the 2011 *Document de Référence* of the Issuer which was filed with the French *Autorité des marchés financiers* under number D.12-0128 on 5 March 2012 including the audited statutory annual and consolidated financial statements of the Issuer for the year ended 31 December 2011 and the free translation of the associated audit reports, except that the statements by Philippe Varin on page 6 referring to the *lettre de fin de travaux* of the statutory auditors shall not be deemed to be incorporated herein (**2011 Registration Document**); and
- (2) the English version of the 2010 *Document de Référence* of the Issuer which was filed with the French *Autorité des marchés financiers* under number D.11-0353 on 22 April 2011 including the audited statutory annual and consolidated financial statements of the Issuer for the year ended 31 December 2010 and the free translation of the associated audit reports, except that the statements by Philippe Varin on page 6 referring to the *lettre de fin de travaux* of the statutory auditors shall not be deemed to be incorporated herein (**2010 Registration Document**).

Such sections shall be deemed to be incorporated in, and form part of this Base Prospectus, save that any statement contained in this Base Prospectus or in a section which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in any section which is subsequently incorporated by reference herein by way of a supplement prepared in accordance with Article 16 of the Prospectus Directive modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

Copies of the documents containing the sections incorporated by reference in this Base Prospectus (and the French version of such documents) may be obtained without charge from the registered office of the Issuer, the Issuer's website (www.psa-peugeot-citroen.com) and the website of the AMF (www.amf-france.org).

The cross-reference tables below set out the relevant page references for the information incorporated herein by reference:

CROSS-REFERENCE LIST

Annex IV and Annex IX of the European Regulation 809/2004/EC of 29 April 2004	2011 Registration Document	2010 Registration Document
	Page	Page
STATUTORY AUDITORS		
Names and addresses of the Issuer's auditors for the period covered by the historical financial information	8	
SELECTED FINANCIAL INFORMATION		
Selected historical financial information regarding the Issuer	10 to 11	
If selected financial information is provided for interim periods, comparative data for the same period in the prior financial year	N/A	

Annex IV and Annex IX of the European Regulation 809/2004/EC of 29 April 2004	2011 Registration Document	2010 Registration Document
RISK FACTORS		
Disclosure of risk factors	13 to 28	
INFORMATION ABOUT THE ISSUER		
History and development of the Issuer	30	
Legal and commercial name of the Issuer	30	
Place of registration of the Issuer and its registration number	30	
Date of incorporation and the length of life of the Issuer	30	
Domicile and legal form of the Issuer, the legislation under which the Issuer operates, its country of incorporation, and the address and telephone number of its registered office	30	
Events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency	30	
Investments		
Description of the principal investments made since the date of the last published financial statements	128 to 136	
Information concerning the Issuer's principal future investments	130 to 136	
Information regarding the anticipated sources of funds needed to fulfil commitments referred to in item 5.2.2	121 to 124	
BUSINESS OVERVIEW		
Principal activities		
Description of the Issuer's principal activities stating the main categories of products sold and/or services performed	79 to 98	
Indication of any significant new products and/or activities	81	
Principal markets		
Brief description of the principal markets in which the Issuer completes	80 to 81	
Basis for any statements made by the Issuer regarding its competitive position	80	

Annex IV and Annex IX of the European Regulation 809/2004/EC of 29 April 2004	2011 Registration Document	2010 Registration Document
ORGANISATIONAL STRUCTURE		
Brief description of the group and of the Issuer's position within it	100 to 104	
If the Issuer is dependent upon other entities within the group, this must be clearly stated together with an explanation of this dependence	101	
TREND INFORMATION		
Include a statement that there has been no material adverse change in the prospects of the Issuer since the date of its last published audited financial statements.	321	
In the event that the Issuer is unable to make such a statement, provide details of this material adverse change.		
Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for at least the current financial year.	138	
ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES		
Names, business addresses and functions in the Issuer of the following persons, and an indication of the principal activities performed by them outside the Issuer where these are significant with respect to that Issuer:		
(a) members of the administrative, management or supervisory bodies;	144	
Administrative, Management, and Supervisory bodies conflicts of interests	155	
Potential conflicts of interests between any duties to the issuing entity of the persons referred to in item 10.1 and their private interests and or other duties must be clearly stated. In the event that there are no such conflicts, make a statement to that effect.		
BOARD PRACTICES		
Details relating to the Issuer's audit committee, including the names of committee members and a summary of the terms of reference under which the committee operates.	172	
A statement as to whether or not the Issuer complies with its country of incorporation's corporate governance regime(s). In the event that the Issuer does not comply with such a regime a	168 to 169	

Annex IV and Annex IX of the European Regulation 809/2004/EC of 29 April 2004	2011 Registration Document	2010 Registration Document
statement to that effect must be included together with an explanation regarding why the Issuer does not comply with such regime.		
MAJOR SHAREHOLDERS		
To the extent known to the Issuer, state whether the Issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control, and describe the measures in place to ensure that such control is not abused.	217	
A description of any arrangements, known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer.	216	
FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES		
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(a) balance sheet;	230 to 231	208 to 209
(b) income statement;	226 to 227	204 to 205
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(d) accounting policies and explanatory notes.	236 to 333	214 to 310
Statutory Annual Financial Statements	338 to 363	315 to 339
(a) balance sheet;	340 to 341	317 to 318
(b) income statement;	338	315
(c) cash flow statement; and	339	316
(d) accounting policies and explanatory notes.	343 to 361	320 to 337
Auditing of historical annual financial information		
Auditors' report on the consolidated financial statements	224 to 225	202 to 203
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Age of latest financial information		
The last year of audited financial information may not be older than 18 months from the date of the registration document.	222	

Annex IV and Annex IX of the European Regulation 809/2004/EC of 29 April 2004	2011 Registration Document	2010 Registration Document
Legal and arbitration proceedings		
Information on any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the Issuer and/or group's financial position or profitability, or provide an appropriate negative statement.	26 to 27 367	
Significant change in the Issuer's financial or trading position		
A description of any significant change in the financial or trading position of the group which has occurred since the end of the last financial period for which either audited financial information or interim financial information have been published, or an appropriate negative statement.	367	
ADDITIONAL INFORMATION		
Share Capital		
The amount of the issued capital, the number and classes of the shares of which it is composed with details of their principal characteristics, the part of the issued capital still to be paid up, with an indication of the number, or total nominal value, and the type of the shares not yet fully paid up, broken down where applicable according to the extent to which they have been paid up.	370	
Memorandum and Articles of Association		
The register and the entry number therein, if applicable, and a description of the Issuer's objects and purposes and where they can be found in the memorandum and Articles of Association.	377	
MATERIAL CONTRACTS		
A brief summary of all material contracts that are not entered into in the ordinary course of the Issuer's business, which could result in any group member being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to security holders in respect of the securities being issued.	382 to 384	

Any information incorporated by reference in this Base Prospectus but not listed in the cross-reference table above is given for information purposes only.

DOCUMENTS ON DISPLAY

1. For so long as Notes issued under the Programme are outstanding, the following documents will be available, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), for inspection and, in the case of documents listed under (iii) to (xi), collection free of charge, at the office of the Fiscal Agent and the Paying Agents:
 - (i) the Agency Agreement;
 - (ii) the constitutive documents (*statuts*) of Peugeot;
 - (iii) English version of the 2011 *Document de Référence*;
 - (iv) English version of the 2010 *Document de Référence*;
 - (v) each Final Terms for Notes that are listed and admitted to trading on Euronext Paris or any other Regulated Market in the European Economic Area or listed on any other stock exchange (save that Final Terms relating to Notes which are (i) neither listed and admitted to trading on a Regulated Market in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive (ii) nor listed on any other stock exchange, will only be available for inspection by a holder of such Notes and such holder must produce evidence satisfactory to the Issuer and the relevant Paying Agent as to its holding and identity);
 - (vi) a copy of this Base Prospectus together with any supplement to this Base Prospectus or restated Base Prospectus and any document incorporated by reference;
 - (vii) all reports, letters and other documents, balance sheets, valuations and statements by any expert, any part of which is extracted or referred to in this Base Prospectus in respect of each issue of Notes; and
 - (viii) any other documents incorporated by reference into this Base Prospectus.
2. For as long as any Notes are outstanding, a copy of this Base Prospectus together with any supplement to this Base Prospectus or restated Base Prospectus and any document incorporated by reference (a) may be obtained, free of charge, at the registered office of the Issuer during normal business hours and (b) will be available on the website www.psa-peugeot-citroen.com.
3. For as long as Notes may be issued pursuant to this Base Prospectus, the following documents will be available, if relevant, on the website of the *Autorité des marchés financiers* (www.amf-france.org):
 - (i) the Final Terms for Notes that are listed and admitted to trading on Euronext Paris;
 - (ii) this Base Prospectus together with any supplement to this Base Prospectus or further Base Prospectus; and
 - (iii) the documents incorporated by reference into this Base Prospectus.

SUPPLEMENT TO THE BASE PROSPECTUS

If at any time the Issuer shall be required to prepare a supplement to this Base Prospectus pursuant to the provisions of Article 212-25 of the AMF General Regulations (*Règlement général*) implementing Article 16 of the Prospectus Directive, following the occurrence of a new factor, a material mistake or inaccuracy or omission relating to the information included or incorporated by reference in this Base Prospectus (including the "Terms and Conditions of the Notes") which is capable of affecting the assessment of any Notes whose inclusion would reasonably be required by investors and their professional advisers, the Issuer will prepare and make available an appropriate supplement to this Base Prospectus or a restated Base Prospectus, which, in respect of any subsequent issue of Notes to be admitted to trading on Euronext Paris or on a Regulated Market, shall constitute a supplement to the Base Prospectus for the purpose of the relevant provisions of the AMF General Regulations (*Règlement général*).

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of Part A of the relevant Final Terms and excepting sentences in italics, shall be applicable to the Notes. In the case of Dematerialised Notes, the text of the terms and conditions will not be endorsed on physical documents of title but will be constituted by the following text as completed, amended or varied by Part A of the relevant Final Terms. In the case of Materialised Notes, either (i) the full text of these terms and conditions together with the relevant provisions of Part A of the Final Terms or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on Definitive Materialised Bearer Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in Part A of the relevant Final Terms. References in the Conditions to Notes are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

An amended and restated agency agreement (as amended or supplemented from time to time, the **Agency Agreement**) dated 16 May 2012 has been agreed between Peugeot S.A. (the **Issuer**), BNP Paribas Securities Services as fiscal agent in relation to the Notes issued under the Issuer's Medium Term Note Programme (the **Programme**).

The fiscal agent, the paying agents, the registration agent, the redenomination agent, the consolidation agent and the calculation agent(s) for the time being (if any) are referred to below respectively as the **Fiscal Agent**, the **Paying Agents** (which expression shall include the Fiscal Agent), the **Registration Agent**, the **Redenomination Agent**, the **Consolidation Agent** and the **Calculation Agent(s)**.

The holders of Dematerialised Notes and Materialised Notes, the holders of the interest coupons (the **Coupons**) relating to interest bearing Materialised Notes and, where applicable in the case of such Notes, talons (the **Talons**) for further Coupons (the **Couponholders**) and the holders of the receipts (the **Receipts**) for the payment of instalments of principal (the **Receiptholders**) relating to Materialised Notes of which the principal is payable in instalments are deemed to have notice of all of the provisions of the Agency Agreement.

For the purpose of these Terms and Conditions, **Regulated Market** means any regulated market situated in a Member State of the European Economic Area (**EEA**) as defined in the Markets in Financial Instruments Directive 2004/39/EC.

References below to **Conditions** are, unless the context requires otherwise, to the numbered paragraphs below.

1. FORM, DENOMINATION(S), TITLE AND REDENOMINATION OF THE NOTES

- (a) **Form of Notes:** Notes may be issued by the Issuer either in dematerialised form (**Dematerialised Notes**) or in materialised form (**Materialised Notes**).
- (i) Dematerialised Notes are issued, as specified in the relevant Final Terms (the **Final Terms**), in (x) bearer dematerialised form (*au porteur*) only, in which case they are inscribed in the books of Euroclear France (acting as central depository) which shall credit the accounts of Euroclear France Account Holders (as defined below), (y) in registered dematerialised form (*au nominatif*) only and, in such case, at the option of the relevant Noteholder, in administered registered dematerialised form (*au nominatif administré*) in which case they will be inscribed in the accounts of the Euroclear France Account Holders designated by the relevant Noteholders or in fully registered dematerialised form (*au nominatif pur*) inscribed in an account in the books of Euroclear France maintained by the Registration Agent acting on behalf of the Issuer.

For the purpose of these Conditions, **Euroclear France Account Holder** means any authorised intermediary institution entitled to hold directly or indirectly accounts on behalf of its customers with Euroclear France, and includes Euroclear Bank S.A./N.V. (**Euroclear**) and the depositary bank for Clearstream Banking, *société anonyme* (**Clearstream, Luxembourg**).

- (ii) Materialised Notes are issued in bearer form (**Materialised Bearer Notes**). Materialised Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Materialised Notes are issued with one or more Receipts attached.

In accordance with Articles L. 211-3 et seq. and R. 211-1 of the French Code monétaire et financier, securities (such as the Notes) which are governed by French law and are in materialised form must be issued outside the French territory.

- (b) **Denomination(s)**: Notes shall be issued in the specified denomination(s) as set out in the relevant Final Terms save that the minimum denomination of each Note listed and admitted to trading on a Regulated Market or offered to the public in a Member State of the EEA in circumstances which require the publication of a prospectus under the Prospectus Directive will be €1,000 and if the Notes are denominated in a currency other than euro, the equivalent amount in each such currency at the issue date (the **Specified Denomination(s)**) or such higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any applicable laws or regulations. Dematerialised Notes shall be issued in one Specified Denomination only.
- (c) **Title:**
 - (i) Title to Dematerialised Notes will be evidenced in accordance with Articles L.211-3 *et seq.* and R.211-1 of the French *Code monétaire et financier* by book entries (*inscriptions en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Dematerialised Notes. Title to Dematerialised Notes issued in bearer form (*au porteur*) and in administered registered form (*au nominatif administré*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of Euroclear France Account Holders. Title to Dematerialised Notes issued in fully registered form (*au nominatif pur*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of the Issuer or the Registration Agent.
 - (ii) Title to Materialised Bearer Notes in definitive form having, where appropriate, Coupons, Receipt(s) and/or a Talon attached thereto on issue (**Definitive Materialised Bearer Notes**), shall pass by delivery.
 - (iii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note (as defined below), Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the holder.
 - (iv) In these Conditions, **holder of Notes** or **holder of any Note** or **Noteholder** means (i) in the case of Dematerialised Notes, the person whose name appears in the account of the relevant Euroclear France Account Holder or the Issuer or the Registration Agent (as the case may be) as being entitled to such Notes and (ii) in the case of Materialised Notes, the bearer of any Definitive Materialised Bearer Note and the Receipts, Coupons, or Talon relating to it,

and capitalised terms have the meanings given to them in the relevant Final Terms, the absence of any such meaning indicating that such term is not applicable to the Notes.

(d) **Redenomination**

- (i) The Issuer may (if so specified in the relevant Final Terms), on any date, without the consent of the holder of any Note, Receipt, Coupon or Talon, by giving at least thirty (30) days' notice in accordance with Condition 15 (*Notices*) and on or after the date on which the European Member State in whose national currency the Notes are denominated has become a participating Member State in the single currency of the European Economic and Monetary Union (as provided in the Treaty establishing the European Community, as amended from time to time (the **Treaty**)) or events have occurred which have substantially the same effects (in either case, **EMU**), redenominate all, but not some only, of the Notes of any Series into Euro and adjust the aggregate principal amount and the Specified Denomination(s) set out in the relevant Final Terms accordingly, as described below. The date on which such redenomination becomes effective shall be referred to in these Conditions as the **Redenomination Date**.
- (ii) Unless otherwise specified in the relevant Final Terms, the redenomination of the Notes pursuant to Condition 1(d)(i) shall be made by converting the principal amount of each Note from the relevant national currency into Euro using the fixed relevant national currency Euro conversion rate established by the Council of the European Union pursuant to Article 123 (4) of the Treaty and rounding the resultant figure to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). If the Issuer so elects, the figure resulting from conversion of the principal amount of each Note using the fixed relevant national currency Euro conversion rate shall be rounded down to the nearest euro. The Euro denominations of the Notes so determined shall be notified to Noteholders in accordance with Condition 15 (*Notices*). Any balance remaining from the redenomination with a denomination higher than Euro 0.01 shall be paid by way of cash adjustment rounded to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). Such cash adjustment will be payable in Euro on the Redenomination Date in the manner notified to Noteholders by the Issuer.
- (iii) Upon redenomination of the Notes, any reference in the relevant Final Terms to the relevant national currency shall be construed as a reference to euro.
- (iv) Unless otherwise specified in the relevant Final Terms, the Issuer may, with the prior approval of the Redenomination Agent and the Consolidation Agent, in connection with any redenomination pursuant to this Condition or any consolidation pursuant to Condition 14 (*Further Issues and Consolidation*), without the consent of the holder of any Note, Receipt, Coupon or Talon, make any changes or additions to these Conditions or Condition 14 (*Further Issues and Consolidation*) (including, without limitation, any change to any applicable business day definition, business day convention, principal financial centre of the country of the Specified Currency, interest accrual basis or benchmark), taking into account market practice in respect of redenominated euromarket debt obligations and which it believes are not prejudicial to the interests of such holders. Any such changes or additions shall, in the absence of manifest error, be binding on the holders of Notes, Receipts, Coupons and Talons and shall be notified to Noteholders in accordance with Condition 15 (*Notices*) as soon as practicable thereafter.
- (v) Neither the Issuer nor any Paying Agent shall be liable to the holder of any Note, Receipt, Coupon or Talon or other person for any commissions, costs, losses or expenses in relation to or resulting from the credit or transfer of Euro or any currency conversion or rounding effected in connection therewith.

(e) **Method of issue**

The Notes will be issued in series (each a **Series**) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a **Tranche**) on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in the relevant Final Terms.

2. CONVERSION AND EXCHANGES OF NOTES

(a) **Dematerialised Notes**

- (i) Dematerialised Notes issued in bearer dematerialised form (*au porteur*) may not be converted into Dematerialised Notes in registered dematerialised form, whether in fully registered form (*au nominatif pur*) or in administered registered form (*au nominatif administré*).
- (ii) Dematerialised Notes initially issued in registered form (*au nominatif*) only may not be converted into Dematerialised Notes in bearer dematerialised form (*au porteur*).
- (iii) Dematerialised Notes issued in fully registered dematerialised form (*au nominatif pur*) may, at the option of the Noteholder, be converted into Notes in administered registered dematerialised form (*au nominatif administré*), and vice versa. The exercise of any such option by such Noteholder shall be made in accordance with Article R.211-4 of the French *Code monétaire et financier*. Any such conversion shall be effected at the cost of such Noteholder.

(b) **Materialised Bearer Notes**

Materialised Bearer Notes of one Specified Denomination may not be exchanged for Materialised Bearer Notes of another Specified Denomination.

(c) **Dematerialised Notes not exchangeable for Materialised Bearer Notes and vice versa**

Dematerialised Notes may not be exchanged for Materialised Notes and Materialised Notes may not be exchanged for Dematerialised Notes.

3. STATUS OF NOTES

The obligations of the Issuer under the Notes and, if applicable any Receipts and Coupons relating to them, are direct, unconditional, unsubordinated and (subject to the provisions of Condition 4 (*Negative Pledge*)) unsecured obligations of the Issuer and rank and will rank *pari passu* without preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with any other present or future, unsecured and unsubordinated obligations of the Issuer from time to time outstanding without preference or priority by reason of date of issue, currency of payment or otherwise.

4. NEGATIVE PLEDGE

So long as any of the Notes remain outstanding (as defined below), the Issuer will not create or permit to subsist and will procure that none of the Principal Subsidiaries (as defined below) will create or permit to subsist any mortgage, charge, pledge or other security interest (a **Security**) upon

any of its assets or revenues, present or future, to secure any Relevant Indebtedness (as defined below) incurred or guaranteed by it (whether before or after the issue of the Notes) other than a Permitted Security unless the Issuer's obligations under the Notes are equally and rateably secured therewith.

For the purposes of these Conditions,

Existing Security on After-Acquired Subsidiaries means any Security granted by any person over its assets in respect of any Relevant Indebtedness and which is existing at the time any such person becomes, whether by the acquisition of share capital or otherwise, a Subsidiary of the Issuer or whose business and/or activities, in whole or in part, are assumed by or vested in the Issuer or any other Subsidiary of the Issuer after the date of first issue of Notes under the Programme (other than any Security created in contemplation thereof and provided that the amounts of the Relevant Indebtedness so secured are not thereafter increased nor their maturity extended).

Group means, at any time, the Issuer and any of its Subsidiaries and affiliates.

outstanding means, in relation to the Notes of any Series, all the Notes issued other than (a) those that have been redeemed in accordance with the Conditions, (b) those in respect of which the date for redemption has occurred and the redemption moneys (including all interest accrued on such Notes to the date for such redemption and any interest payable after such date) have been duly paid (i) in the case of Dematerialised Notes in bearer form and in administered registered form, to the relevant Euroclear France Account Holders on behalf of the Noteholder as provided in Condition 7(a), (ii) in the case of Dematerialised Notes in fully registered form, to the account of the Noteholder as provided in Condition 7(a) and (iii) in the case of Materialised Bearer Notes, to the Paying Agent as provided in Conditions 7(b) and 7(c) and remain available for payment against presentation and surrender of Materialised Bearer Notes, Receipts and/or Coupons, as the case may be, (c) those which have become void or in respect of which claims have become prescribed, (d) those which have been purchased and cancelled as provided in the Conditions, (e) in the case of Materialised Bearer Notes (i) those mutilated or defaced Materialised Bearer Notes that have been surrendered in exchange for replacement Materialised Bearer Notes, (ii) (for the purpose only of determining how many such Materialised Bearer Notes are outstanding and without prejudice to their status for any other purpose) those Materialised Bearer Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Materialised Bearer Notes have been issued and (iii) any Temporary Global Certificate to the extent that it shall have been exchanged for one or more Definitive Materialised Bearer Notes, pursuant to its provisions.

Permitted Secured Indebtedness means

- (a) any Security created over assets held in trust by another person, which assets are to be used by such other person solely for satisfying the payment obligations of Banque PSA Finance or Compagnie Générale de Crédit aux Particuliers (or their successors) in respect of principal and/or interest in respect of any Relevant Indebtedness of, or any guarantee or indemnity granted in respect of any such Relevant Indebtedness by Banque PSA Finance or Compagnie Générale de Crédit aux Particuliers (or their successors) in circumstances where such other person has undertaken responsibility for the discharge of such obligations;
- (b) any Security over assets or receivables of Banque PSA Finance or Compagnie Générale de Crédit aux Particuliers (or their successors) which has been given in connection with the refinancing of such assets or receivables and where the risks (except in relation to any credit enhancement provided by Banque PSA Finance or Compagnie Générale de Crédit aux Particuliers (or their successors) in respect of such assets or receivables) relating to non-payment in respect of such assets or receivables are, as a result of such refinancing, not to be borne by Banque PSA Finance or Compagnie Générale de Crédit aux Particuliers (or their successors); or

- (c) any Security over a deposit made by Banque PSA Finance or Compagnie Générale de Crédit aux Particuliers (or their successors), using the proceeds of an issue of any Relevant Indebtedness issued by Banque PSA Finance or Compagnie Générale de Crédit aux Particuliers (or their successors) provided that (i) the depositary of such proceeds lends an amount at least equal to the amount of the deposit to any one or more members of the Group and (ii) that such loan has a maturity date which is not earlier than the date for repayment of such deposit.

Permitted Security means:

- (a) Existing Security on After-Acquired Subsidiaries; or
- (b) any Permitted Secured Indebtedness.

Principal Subsidiary means at any time, any Subsidiary (as defined below) of the Issuer

- (a) whose total assets or sales and revenue (or, where the Subsidiary in question prepares consolidated accounts, whose total consolidated assets or consolidated sales and revenue, as the case may be) attributable to the Issuer represent more than 10 per cent. of the total consolidated assets or the consolidated sales and revenue of the Issuer, all as calculated by reference to the then latest audited accounts (or audited consolidated accounts as the case may be) of such Subsidiary and the then latest audited consolidated accounts of the Issuer and its consolidated Subsidiaries, or
- (b) to which is transferred all or substantially all the assets and undertakings of a Subsidiary which immediately prior to such transfer was a Principal Subsidiary, and "Principal Subsidiaries" shall be construed accordingly.

Relevant Indebtedness means any indebtedness in the form of, or represented by, bonds, notes, debentures or other securities which are, are to be, or are capable of being, quoted, listed, or ordinarily traded on any stock exchange, or on any over-the-counter securities market or other securities market.

Subsidiary means, with respect to any person at any particular time, any entity which is then directly or indirectly controlled (within the meaning of Article L.233-3 of the French *Code de commerce*), or more than 50 per cent. of whose issued equity share capital (or equivalent) is then beneficially owned by such person and/or one or more of its Subsidiaries.

5. INTEREST AND OTHER CALCULATIONS

- (a) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below. Certain defined terms contained in the 2007 FBF Master Agreement relating to transactions on forward financial instruments as supplemented by the Technical Schedules published by the *Fédération Bancaire Française* (**FBF**) (together the **FBF Master Agreement**) and in the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. (**ISDA**), have either been used or reproduced in this Condition 5:

Business Day means:

- (i) in the case of Notes denominated in euro, a day (other than a Saturday or a Sunday) on which the Trans European Automated Real Time Gross Settlement Express Transfer (known as TARGET2) system or any successor thereto (the **TARGET System**) is operating (a **TARGET Business Day**); and/or

- (ii) in relation to any sum payable in Renminbi, a day on which commercial banks and foreign exchange markets settle payment in Renminbi in Hong Kong and in the relevant Business Centre(s) (if any) and/or
- (iii) in the case of Notes denominated in a Specified Currency other than euro and Renminbi, a day which is a TARGET Business Day and a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for that currency; and/or
- (iv) in the case of Notes denominated in a Specified Currency and/or one or more Business Centre(s) specified in the relevant Final Terms (the **Business Centre(s)**) a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres so specified.

Day Count Fraction means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or Interest Accrual Period, the **Calculation Period**):

- (i) if **Actual/365 — FBF** is specified in the relevant Final Terms, the fraction whose numerator is the actual number of days elapsed during the Calculation Period and whose denominator is 365. If part of that Calculation Period falls in a leap year, Actual /365 — FBF shall mean the sum of (i) the fraction whose numerator is the actual number of days elapsed during the non-leap year and whose denominator is 365 and (ii) the fraction whose numerator is the number of actual days elapsed during the leap year and whose denominator is 366;
 - (ii) if **Actual/365** or **Actual/Actual - ISDA** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
 - (iii) if **Actual/Actual-ICMA** is specified in the relevant Final Terms:
 - (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
 - (B) if the Calculation Period is longer than one Determination Period, the sum of:
 - the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
 - the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year
- in each case where

Determination Period means the period from and including a Determination Date in any year to but excluding the next Determination Date, and

Determination Date means the date specified as such in the relevant Final Terms or, if none is so specified, the Interest Payment Date

- (iv) if **Actual/365 (Fixed)** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365;
- (v) if **Actual/360** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 360;
- (vi) if **30/360, 360/360** or **Bond Basis** is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + [(D_2 - D_1)]}{360}$$

where:

Y₁ is the year, expressed as a number, in which the first day of the Calculation Period falls;

Y₂ is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

M₁ is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

M₂ is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

D₁ is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case **D₁** will be 30; and

D₂ is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and **D₁** is greater than 29, in which case **D₂** will be 30;

- (vii) if **30E/360** or **Eurobond Basis** is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + [(D_2 - D_1)]}{360}$$

where:

Y₁ is the year, expressed as a number, in which the first day of the Calculation Period falls;

Y₂ is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

M₁ is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

M₂ is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

D₁ is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case **D₁** will be 30; and

D₂ is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case **D₂** will be 30;

- (viii) if **30E/360 (ISDA)** is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + [(D_2 - D_1)]}{360}$$

where:

Y₁ is the year, expressed as a number, in which the first day of the Calculation Period falls;

Y₂ is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

M₁ is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

M₂ is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

D₁ is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case **D₁** will be 30; and

D₂ is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case **D₂** will be 30.

Euro-zone means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community as amended by the Treaty on European Union.

FBF Definitions means the definitions set out in the FBF Master Agreement, unless otherwise specified in the relevant Final Terms.

Interest Accrual Period means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

Interest Amount means the amount of interest payable, and in the case of Fixed Rate Notes, means the Fixed Coupon Amount or Broken Amount, as the case may be.

Interest Commencement Date means the Issue Date or such other date as may be specified in the relevant Final Terms.

Interest Determination Date means, with respect to a Rate of Interest and Interest Accrual Period or the interest amount in relation to the RMB Notes, the date specified as such in the relevant Final Terms or, if none is so specified, (i) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is Euro or (ii) the first day of such

Interest Accrual Period if the Specified Currency is Sterling or (iii) the day falling two Business Days in the city specified in the Final Terms for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor Euro.

Interest Payment Date means the date(s) specified in the relevant Final Terms.

Interest Period means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

Interest Period Date means each Interest Payment Date unless otherwise specified in the relevant Final Terms.

ISDA Definitions means the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified in the relevant Final Terms.

Rate of Interest means the rate of interest payable from time to time in respect of the Notes and that is either specified or calculated in accordance with the provisions in the relevant Final Terms.

Reference Banks means in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Calculation Agent with the approval of the Issuer or as specified in the relevant Final Terms.

Reference Rate means the rate specified as such in the relevant Final Terms.

Relevant Screen Page means such page, section, caption, column or other part of a particular information service as may be specified in the relevant Final Terms or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Reference Rate.

Specified Currency means the currency specified as such in the relevant Final Terms or, if none is specified, the currency in which the Notes are denominated.

- (b) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date except as otherwise provided in the relevant Final Terms.

If a Fixed Coupon Amount or a Broken Amount is specified in the relevant Final Terms, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount will be payable on the particular Interest Payment Date(s) specified in the relevant Final Terms.

- (c) **Interest on Floating Rate Notes and Index Linked Interest Notes**

- (i) **Interest Payment Dates:** Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear (except as otherwise provided in the relevant Final Terms) on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown in the relevant Final Terms

as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the relevant Final Terms, Interest Payment Date shall mean each date which falls the number of months or other period shown in the relevant Final Terms as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

- (ii) **Business Day Convention:** If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.
- (iii) **Rate of Interest for Floating Rate Notes:** The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the relevant Final Terms and, unless otherwise specified in the relevant Final Terms, the provisions below relating to either FBF Determination, ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the relevant Final Terms.

(A) **FBF Determination for Floating Rate Notes**

Where FBF Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant FBF Rate plus or minus (as indicated in the relevant Final Terms) the Margin (if any). For the purposes of this sub-paragraph (A), **FBF Rate** for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Transaction under the terms of an agreement incorporating the FBF Definitions and under which:

- (a) the Floating Rate is as specified in the relevant Final Terms; and
- (b) the relevant Floating Rate Determination Date (*Date de Détermination du Taux Variable*) is the first day of that Interest Accrual Period unless otherwise specified in the relevant Final Terms.

For the purposes of this sub-paragraph (A), "Floating Rate" (*Taux Variable*), "Calculation Agent" (*Agent*), "Floating Rate Determination Date" (*Date de Détermination du Taux Variable*) and "Transaction" (*Transaction*) have the meanings given to those terms in the FBF Definitions, provided that "Euribor" means the rate calculated for deposits in euro which appears on Reuters Page EURIBOR01, as more fully described in the relevant Final Terms.

(B) **ISDA Determination for Floating Rate Notes**

Where ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest

Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (B), **ISDA Rate** for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (a) the Floating Rate Option is as specified in the relevant Final Terms;
- (b) the Designated Maturity is a period specified in the relevant Final Terms; and
- (c) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the relevant Final Terms.

For the purposes of this sub-paragraph (B), **Floating Rate, Calculation Agent, Floating Rate Option, Designated Maturity, Reset Date and Swap Transaction** have the meanings given to those terms in the ISDA Definitions.

(C) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean of the offered quotations, (expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the relevant Final Terms as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the relevant Final Terms.

- (x) if the Relevant Screen Page is not available or, if sub-paragraph (C)(1) applies and no such offered quotation appears on the Relevant Screen Page, or, if sub-paragraph (C)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at

approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

(y) if paragraph (x) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(iv) **Rate of Interest for Index Linked Interest Notes:** The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified in the relevant Final Terms and interest will accrue by reference to an Index or Formula as specified in the relevant Final Terms.

(d) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified to be Zero Coupon and is repayable prior to the Maturity Date is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(f)(i)).

- (e) **Dual Currency Notes:** In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating, a Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified in the relevant Final Terms.
- (f) **Partly Paid Notes:** In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the relevant Final Terms.
- (g) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless (i) in the case of Dematerialised Notes, on such due date or (ii) in the case of Materialised Notes, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgment) at the Rate of Interest in the manner provided in this Condition 5 until the date on which all amounts due in respect of such Notes have been paid.
- (h) **Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding**
- (i) If any Margin is specified in the relevant Final Terms (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (c) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.
- (ii) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified in the relevant Final Terms, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes **unit** means the lowest amount of such currency that is available as legal tender in the country(ies) of such currency.
- (i) **Calculations:** The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Rate of Interest and the outstanding nominal amount of such Note by the Day Count Fraction, unless an Interest Amount (or a formula for its calculation) is specified in respect of such period, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.
- (j) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Optional Redemption Amounts, Early Redemption Amounts and Instalment Amounts:** As soon as practicable after the relevant time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, it shall determine such rate and calculate the Interest Amounts in respect of each Specified Denomination of the Notes for the relevant Interest

Accrual Period, calculate the Final Redemption Amount, Optional Redemption Amount, Early Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Optional Redemption Amount, Early Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are admitted to trading on a Regulated Market and the rules of, or applicable to, such Regulated Market so require, such Regulated Market as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such Regulated Market of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(c)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

- (k) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in the relevant Final Terms and for so long as any Note is outstanding (as defined Condition 4 (*Negative Pledge*)). If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer shall appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal Paris office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid. So long as the Notes are admitted to trading on a Regulated Market and the rules of, or applicable to, that Regulated Market so require, notice of any change of Calculation Agent shall be given in accordance with Condition 15 (*Notices*).
- (l) **RMB Notes:** Notwithstanding the foregoing, each RMB Note which is a Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate per annum equal to the Rate of Interest. For the purposes of calculating the amount of interest, if any Interest Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month in which case it shall be brought forward to the immediately preceding Business Day. Interest will be payable in arrear on each Interest Payment Date.

The Calculation Agent will, as soon as practicable after 11.00 a.m. (Hong Kong time) on each Interest Determination Date, calculate the amount of interest payable per Specified

Denomination for the relevant Interest Period. The determination of the amount of interest payable per Specified Denomination by the Calculation Agent shall (in the absence of manifest error and after confirmation by the Issuer) be final and binding upon all parties.

The Calculation Agent will cause the amount of interest payable per Specified Denomination for each Interest Period and the relevant Interest Payment Date to be notified to each of the Paying Agents and to be notified to Noteholders as soon as possible after their determination but in no event later than the fourth Business Day thereafter. The amount of interest payable per Specified Denomination and Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 9, the accrued interest per Specified Denomination shall nevertheless continue to be calculated as previously by the Calculation Agent in accordance with this provision but no publication of the amount of interest payable per Specified Denomination so calculated need be made.

Unless otherwise agreed in the relevant Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to the Specified Denomination, multiplying such product by the actual number of days in the relevant Interest Period or, as applicable, other period concerned and dividing it by 365, and rounding the resultant figure to the nearest Renminbi sub-unit, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

6. REDEMPTION, PURCHASE AND OPTIONS

- (a) **Final Redemption:** Unless previously redeemed, purchased and cancelled as provided below or its maturity is extended pursuant to any option provided by the relevant Final Terms including the Issuer's option in accordance with Condition 6(c) or any Noteholders' option in accordance with Condition 6(d), each Note shall be finally redeemed on the Maturity Date specified in the relevant Final Terms at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) or, in the case of a Note falling within Condition 6(b) below, its final Instalment Amount.
- (b) **Redemption by Instalments and Final Redemption:** Unless previously redeemed, purchased and cancelled as provided in this Condition 6 or the relevant Instalment Date (being one of the dates so specified in the relevant Final Terms) is extended pursuant to the Issuer's or any Noteholder's option in accordance with Condition 6(c) or 6(d), each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the relevant Final Terms. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused (i) in the case of Dematerialised Notes, on the due date for such payment or (ii) in the case of Materialised Notes, on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.
- (c) **Redemption at the Option of the Issuer, Exercise of Issuer's Options and Partial Redemption:** If a Call Option is specified in the relevant Final Terms, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice in accordance with Condition 15 (*Notices*) to the Noteholders (or such other notice period as may be specified in the relevant Final Terms) redeem, or exercise the Issuer's option (as may be described) in relation to, all or, if so provided, some, of the Notes on any Optional Redemption Date or Option Exercise Date, as the case may be. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption

(including, where applicable, any arrears of interest), if any. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the minimum nominal amount to be redeemed specified in the relevant Final Terms and no greater than the maximum nominal amount to be redeemed specified in the relevant Final Terms.

All Notes in respect of which any such notice is given shall be redeemed, or the Issuer's option shall be exercised, on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption or a partial exercise of the Issuer's option in respect of Materialised Notes, the notice to holders of such Materialised Notes shall also contain the number of the Definitive Materialised Bearer Notes to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and Regulated Market or stock exchange requirements.

In the case of a partial redemption of or a partial exercise of an Issuer's option in respect of Dematerialised Notes, the redemption may be effected, at the option of the Issuer, either (i) by reducing the nominal amount of all such Dematerialised Notes in a Series in proportion to the aggregate nominal amount redeemed or (ii) by redeeming in full some only of such Dematerialised Notes and, in such latter case, the choice between those Dematerialised Notes that will be fully redeemed and those Dematerialised Notes of any Series that will not be redeemed shall be made in accordance with Article R.213-16 of the French *Code monétaire et financier* and the provisions of the relevant Final Terms, subject to compliance with any other applicable laws and Regulated Market or other stock exchange requirements.

So long as the Notes are listed and admitted to trading on Euronext Paris and the rules of that Stock Exchange so require, the Issuer shall, once in each year in which there has been a partial redemption of the Notes, cause to be published in accordance with Articles 221-3 and 221-4 of the General Regulations (*Règlement Général*) of the *Autorité des marchés financiers* (the **AMF**) and on the website of any other competent authority and/or Regulated Market of the EEA Member State where the Notes are listed and admitted to trading, a notice specifying the aggregate nominal amount of Notes outstanding and, in the case of Materialised Notes a list of any Definitive Materialised Bearer Notes drawn for redemption but not surrendered.

- (d) **Redemption at the Option of Noteholders and Exercise of Noteholders' Options:** If a Put Option is specified in the relevant Final Terms, the Issuer shall, at the option of the Noteholder, upon the Noteholder giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified in the relevant Final Terms) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption including, where applicable, any arrears of interest.

To exercise such option or any other Noteholders' option that may be set out in the relevant Final Terms (which must be exercised on an Option Exercise Date) the Noteholder must deposit with any Paying Agent at its specified office a duly completed option exercise notice (the **Exercise Notice**) in the form obtained from any Paying Agent, within the notice period. In the case of Materialised Bearer Notes, the Exercise Notice shall have attached to it such Notes (together with all unmatured Receipts and Coupons and unexchanged Talons). In the case of Dematerialised Notes, the Noteholder shall transfer, or cause to be transferred, the Dematerialised Notes to be redeemed to the account of the Fiscal Agent or the Paris Paying Agent specified in the Exercise Notice. No option so exercised and, where applicable, no Note so deposited or transferred may be withdrawn without the prior consent of the Issuer.

- (e) **Redemption or repurchase at the option of the Noteholders in case of Change of Control:** If the Put Option in case of Change of Control (as defined below) is specified as

applying in the relevant Final Terms and a Put Event (as defined below) occurs, each Noteholder will have the option to require the Issuer to redeem or procure the purchase of all or part of the Notes held by such Noteholder on the Put Date (as defined below) at their Final Redemption Amount together with interest accrued up to but excluding such date of redemption or purchase. Such option (the **Put Option in case of Change of Control**) shall operate as set out below.

- (i) A **Put Event** will be deemed to occur if:
- (A) Any person or group of persons acting in concert or any person or persons acting on behalf of any such person(s) (the **Relevant Persons**) acquires directly or indirectly more than 50 per cent. of the total voting rights or of the issued ordinary share capital of the Issuer (or any successor entity), (any such event being a **Change of Control** except in the case of Permitted Restructuring); and
 - (B) on the date notified to the Noteholders by the Issuer in accordance with Condition 15 (*Notices*) (the **Relevant Announcement Date**) that is the earlier of (x) the date of the first public announcement of the Change of Control; and (y) the date of the earliest Relevant Contemplated Change of Control Announcement; either the Notes or the senior unsecured long-term debt of the Issuer carries from any of Moody's Investors Service Ltd (**Moody's**), or Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc. (**S&P**) or any of their respective successors to the rating business thereof, or any other rating agency (each a **Substitute Rating Agency**) of international standing (each, a **Rating Agency**), in each case at the express request of the Issuer for the purposes of obtaining a credit rating:
 - I. an investment grade credit rating (Baa3/BBB-, or equivalent, or better), and such rating from any rating agency is, within the Change of Control Period either downgraded to a non-investment grade credit rating (Ba1/BB+, or equivalent, or worse) or withdrawn and is not, within the Change of Control Period subsequently (in the case of a downgrade) upgraded or (in the case of a withdrawal) reinstated to an investment grade credit rating by such Rating Agency; or
 - II. a non-investment grade credit rating (Ba1/BB+, or equivalent, or worse), and such rating from any Rating Agency is within the Change of Control Period either downgraded by one or more notches (for illustration, Ba1/BB+ to Ba2/BB being one notch) or withdrawn and is not within the Change of Control Period subsequently (in the case of a downgrade) upgraded or (in the case of a withdrawal) reinstated to its earlier credit rating or better by such Rating Agency;

provided that, for the avoidance of doubt,

1. any such decision of the relevant Rating Agency referred to in (I) or (II) above shall not be deemed to have occurred in respect of a particular Change of Control if such Rating Agency does not publicly announce or confirm that such decision was the result, in whole or in part, of any event or circumstance comprised in or arising as a result of, or in respect of, the applicable Change of Control; and
2. if at the time of the occurrence of a Change of Control neither the Notes nor the senior unsecured long-term debt of the Issuer is rated by a Rating Agency, and no Rating Agency assigns within the Change of Control Period an investment grade rating to the Notes, a Put Event will be deemed to have occurred.

- (ii) Promptly upon the Issuer becoming aware that a Put Event has occurred the Issuer shall give notice (a **Put Event Notice**) to the Noteholders in accordance with Condition 15 (*Notices*) specifying the nature of the Put Event, the circumstances giving rise to it and the procedure for exercising the Put Option in case of Change of Control contained in this Condition.
- (iii) To exercise the Put Option in case of Change of Control to require redemption or purchase of the Notes, any Noteholder must transfer or cause to be transferred the Notes to be so redeemed or purchased to the account of the Fiscal Agent and deliver to the Issuer a duly completed redemption or purchase notice in writing (a **Change of Control Put Notice**), in which such Noteholder will specify a bank account to which payment is to be made under this paragraph, within the period (the **Put Period**) of 60 days after a Put Event Notice is given (except where (i) the Noteholder gives the Issuer written notice of the occurrence of a Put Event of which it is aware and (ii) the Issuer fails to give a Put Event Notice to the Noteholders by close of business of the third Business Day after the receipt of such notice from the Noteholder, in which case the Put Period will start from such third Business Day and will end on the day falling 60 days thereafter).

A Change of Control Put Notice once given shall be irrevocable. The Issuer shall redeem or procure the purchase of the Notes in respect of which the Put Option in case of Change of Control has been validly exercised as provided above and subject to the transfer of the Notes, on the date which is the fifth Business Day following the end of the Put Period (the **Put Date**). Payment in respect of such Notes will be made by transfer to the bank account specified in the Change of Control Put Notice.

- (iv) For the purposes of this Condition:

Change of Control Period means the period commencing on the Relevant Announcement Date, and ending 180 days (inclusive) after the occurrence of the relevant Change of Control (or such longer period for which the Notes or the senior unsecured long-term debt of the Issuer are under consideration (such consideration having been announced publicly within the period ending 120 days after the occurrence of the relevant Change of Control) for rating review or, as the case may be, rating by, a Rating Agency, such period not to exceed 60 days after the public announcement of such consideration);

Permitted Restructuring means any event which would constitute a Change of Control of the Issuer pursuant to which Change of Control is obtained by one or more of the Principal Shareholders and/or by one or more persons controlled within the meaning of Article L.233-3 of the French *Code de commerce* by any one or more of the Principal Shareholders;

Principal Shareholders means Etablissements Peugeot Frères, La Française de Participations Financières, Foncière Financière et de Participations and Comtoise de Participation and their respective successors; and

Relevant Contemplated Change of Control Announcement means any public announcement or statement by the Issuer or any Relevant Person relating to any Change of Control being contemplated.

- (f) **Early Redemption:**

- (i) Zero Coupon Notes:

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6(g) or Condition 6(k) or upon it becoming due and payable as provided in Condition 9 (*Events of Default*) shall be

the Amortised Nominal Amount (calculated as provided below) of such Note unless otherwise specified in the relevant Final Terms.

- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Nominal Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown in the relevant Final Terms, shall be such rate as would produce an Amortised Nominal Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
 - (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(g) or Condition 6(k) or upon it becoming due and payable as provided in Condition 9 (*Events of Default*) is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Nominal Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Amortised Nominal Amount becomes due and payable were the Relevant Date. The calculation of the Amortised Nominal Amount in accordance with this sub-paragraph shall continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(d). Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown in the relevant Final Terms.
- (ii) Other Notes: The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(g) or Condition 6(k), or upon it becoming due and payable as provided in Condition 9 (*Events of Default*) shall be the Final Redemption Amount together with interest accrued to the date fixed for redemption (including, where applicable, any arrears of interest) unless otherwise specified in the relevant Final Terms.
- (g) **Redemption for Taxation Reasons**
 - (i) If, by reason of any change in, or any change in the official application or interpretation of, French law becoming effective after the Issue Date, the Issuer, would on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay Additional Amounts as specified and defined under Condition 8 (*Taxation*) below, the Issuer may, at its option, on any Interest Payment Date or, if so specified in the relevant Final Terms, at any time, subject to having given not more than forty-five (45) nor less than thirty (30) days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 15 (*Notices*), redeem all, but not some only, of the Notes at their Early Redemption Amount provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without withholding for such taxes, or, if that date is passed, as soon as practicable thereafter.
 - (ii) If the Issuer would on the next payment of principal or interest in respect of the Notes be prevented by French law from making payment to the Noteholders or, if applicable, Couponholders of the full amounts then due and payable, notwithstanding the undertaking to pay Additional Amounts contained in Condition 8 (*Taxation*) below, then the Issuer, shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than seven (7) days' prior notice to the Noteholders in accordance with Condition 15

(Notices), redeem all, but not some only, of the Notes then outstanding at their Early Redemption Amount on the latest practicable Interest Payment Date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes or, if applicable, Receipts or Coupons, or, if that date is passed, as soon as practicable thereafter.

- (h) **Partly Paid Notes:** Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the provisions specified in the relevant Final Terms.
- (i) **Purchases:** The Issuer shall have the right at all times to purchase Notes (provided that, in the case of Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price subject to the applicable laws and regulations. Unless otherwise specified in the Final Terms, all Notes so purchased by the Issuer may be held and resold in accordance with Articles L. 213-1 A and D. 213-1-A of the French *Code monétaire et financier* for the purpose of enhancing the liquidity of the Notes.
- (j) **Cancellation:** All Notes purchased for cancellation by or on behalf of the Issuer will forthwith be cancelled, in the case of Dematerialised Notes, by transfer to an account in accordance with the rules and procedures of Euroclear France and, in the case of Materialised Bearer Notes, by surrendering the Temporary Global Certificate and the Definitive Materialised Bearer Notes in question together with all unmatured Receipts and Coupons and all unexchanged Talons to the Fiscal Agent and, in each case, if so transferred or surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with, in the case of Dematerialised Notes, all rights relating to payment of interest and other amounts relating to such Dematerialised Notes and, in the case of Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so cancelled or, where applicable, transferred or surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.
- (k) **Illegality:** If, by reason of any change in, or any change in the official application of French law becoming effective after the Issue Date, it will become unlawful for the Issuer to perform or comply with one or more of its obligations under the Notes, the Issuer will, subject to having given not more than forty-five (45) nor less than thirty (30) days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 15 (Notices), redeem all, but not some only, of the Notes at their Early Redemption Amount.

7. PAYMENTS AND TALONS

- (a) **Dematerialised Notes:** Payments of principal and interest (including, for the avoidance of doubt, any arrears of interest, where applicable) in respect of Dematerialised Notes shall (in the case of Dematerialised Notes issued in bearer form or administered registered form) be made by transfer to the account denominated in the relevant currency of the relevant Euroclear France Account Holders for the benefit of the Noteholders or (in the case of Dematerialised Notes issued in fully registered form) to an account denominated in the relevant currency with a Bank (as defined below) designated by the Noteholders. All payments validly made to such Euroclear France Account Holders will be an effective discharge of the Issuer in respect of such payments.
- (b) **Materialised Bearer Notes:** Payments of principal and interest (including, for the avoidance of doubt, any arrears of interest, where applicable) in respect of Materialised Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its

relative Note), Materialised Bearer Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(g)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(g)(vi)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the Noteholder, by transfer to an account denominated in such currency with, a Bank. No payments in respect of Materialised Bearer Notes shall be made by transfer to an account in, or mailed to an address in, the United States.

- (c) **Bank** means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.
- (d) **Payments in the United States:** Notwithstanding the foregoing, if any Materialised Bearer Notes are denominated in U.S. Dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.
- (e) **Payments Subject to Fiscal Laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment but without prejudice to the provisions of Condition 8 (*Taxation*). No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (f) **Appointment of Agents:** The Fiscal Agent, the Paying Agents, the Calculation Agent, the Redenomination Agent and the Consolidation Agent initially appointed under the Agency Agreement and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents, the Redenomination Agent and the Consolidation Agent act solely as agents of the Issuer and the Calculation Agent(s) act(s) as independent expert(s) and, in each case such, do not assume any obligation or relationship of agency for any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Registration Agent (if any), the Redenomination Agent and the Consolidation Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) one or more Calculation Agent(s) where the Conditions so require, (iii) a Redenomination Agent and a Consolidation Agent where the Conditions so require, (iv) in the case of Dematerialised Notes in fully registered form a Registration Agent, (v) Paying Agents having specified offices in at least one major European city, (vi) in the case of Materialised Notes, a Paying Agent in a Member State of the EU that will not be obliged to withhold or deduct tax pursuant to the European Council Directive 2003/48/EC or any other EU Directive on the taxation of savings income (which may be any of the Paying Agents referred to in (v) above) implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000, or pursuant to any law implementing or complying with, or introduced in order to conform to, such Directive and (vii) such other agents as may be required by the rules of any other stock exchange on which the Notes may be listed.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Materialised Bearer Notes denominated in U.S. Dollars in the circumstances described in paragraph (c) above.

On a redenomination of the Notes of any Series pursuant to Condition 1(e) with a view to consolidating such Notes with one or more other Series of Notes, in accordance with Condition 14

(*Further Issues and Consolidation*), the Issuer shall ensure that the same entity shall be appointed as both Redenomination Agent and Consolidation Agent in respect of both such Notes and such other Series of Notes to be so consolidated with such Notes.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders in accordance with Condition 15 (*Notices*).

(g) Unmatured Coupons and Receipts and unexchanged Talons

- (i) Unless Materialised Bearer Notes provide that the relative Coupons are to become void upon the due date for redemption of those Notes, Materialised Bearer Notes should be surrendered for payment together with all unmaturing Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmaturing Coupon (together, where applicable, with the amount of any arrears of interest corresponding to such Coupon) (or, in the case of payment not being made in full, that proportion of the amount of such missing unmaturing Coupon (together, where applicable, with the amount of any arrears of interest corresponding to such Coupon) that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Amortised Nominal Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 10 (*Prescription*)).
- (ii) If Materialised Bearer Notes so provide, upon the due date for redemption of any such Materialised Bearer Note, unmaturing Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Materialised Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Upon the due date for redemption of any Materialised Bearer Note that is redeemable in instalments, all Receipts relating to such Materialised Bearer Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
- (v) Where any Materialised Bearer Note that provides that the relative unmaturing Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmaturing Coupons, and where any such Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (vi) If the due date for redemption of any Materialised Bearer Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, (including, for the avoidance of doubt, any arrears of interest if applicable) shall only be payable against presentation (and surrender if appropriate) of the relevant Definitive Materialised Bearer Note. Interest accrued on a Materialised Bearer Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Materialised Bearer Notes.

- (h) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Materialised Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 10 (*Prescription*)).
- (i) **Non-Business Days:** If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the Noteholder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, **business day** means a day (other than a Saturday or a Sunday) (A) (i) in the case of Dematerialised Notes, on which Euroclear France is open for business or (ii) in the case of Materialised Notes, on which banks and foreign exchange markets are open for business in the relevant place of presentation, (B) on which banks and foreign exchange markets are open for business in such jurisdictions as shall be specified as **Financial Centres** in the relevant Final Terms and (C) (i) in the case of a payment in a currency other than euro, where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or (ii) in the case of a payment in euro, which is a TARGET Business Day.
- (j) **Payment of US Dollar Equivalent:** Notwithstanding any other provision in these Conditions, if an Inconvertibility, Non-Transferability or Illiquidity occurs or if Renminbi is otherwise not available to the Issuer as a result of circumstances beyond its control and such unavailability has been confirmed by a Renminbi Dealer, following which the Issuer is unable to satisfy payments of principal or interest (in whole or in part) in respect of RMB Notes, the Issuer on giving not less than five nor more than 30 days irrevocable notice to the Noteholders prior to the due date for payment, may settle any such payment (in whole or in part) in US Dollars on the due date at the US Dollar Equivalent of any such Renminbi denominated amount.

In such event, payments of the US Dollar Equivalent of the relevant principal or interest in respect of the Notes shall be made by transfer to the U.S. Dollar account of the relevant Account Holders for the benefit of the Noteholders. For the avoidance of doubt, no such payment of the US Dollar Equivalent shall by itself constitute a default in payment within the meaning of Condition 9.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 7(j) by the RMB Rate Calculation Agent, will (in the absence of manifest error) be binding on the Issuer, the Agents and all Noteholders.

These provisions may be amended or supplemented in the relevant Final Terms.

For the purposes of this Condition 7:

Governmental Authority means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong.

Illiquidity means that the general Renminbi exchange market in Hong Kong becomes illiquid, other than as a result of an event of Inconvertibility or Non-Transferability, as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers.

Inconvertibility means the occurrence of any event that makes it impossible for the Issuer to convert any amount due in respect of RMB Notes in the general Renminbi exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

Non-Transferability means the occurrence of any event that makes it impossible for the Issuer to deliver Renminbi between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

Renminbi Dealer means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in Hong Kong reasonably selected by the Issuer.

RMB Note means a Note denominated in Renminbi.

RMB Rate Calculation Agent means the agent appointed from time to time by the Issuer for the determination of the RMB Spot Rate or identified as such in the relevant Final Terms.

RMB Rate Calculation Business Day means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong and in New York City.

RMB Rate Calculation Date means the day which is two RMB Rate Calculation Business Days before the due date for payment of the relevant Renminbi amount under the Conditions.

RMB Spot Rate for a RMB Rate Calculation Date means the spot CNY/US dollar exchange rate for the purchase of US dollars with CNY in the over-the-counter CNY exchange market in Hong Kong for settlement on the relevant due date for payment, as determined by the RMB Rate Calculation Agent at or around 11 a.m. (Hong Kong time) on such RMB Rate Calculation Date, on a deliverable basis by reference to Reuters Screen Page CNHFIX=. If such rate is not available, the RMB Rate Calculation Agent will determine the RMB Spot Rate at or around 11 a.m. (Hong Kong time) on the RMB Rate Calculation Date as the most recently available CNY/U.S. Dollar official fixing rate for settlement on the relevant due date for payment reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuter Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate.

US Dollar Equivalent means the relevant Renminbi amount converted into US Dollars using the RMB Spot Rate for the relevant RMB Rate Calculation Date, as calculated by the RMB Rate Calculation Agent.

8. TAXATION

(a) French withholding tax

All payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties,

assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

(b) **Additional Amounts**

If applicable law should require that payments of principal or interest made by the Issuer in respect of any Note, Receipt or Coupon be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever levied by the Republic of France, the Issuer, will, to the fullest extent then permitted by law, pay such additional amounts (**Additional Amounts**) as shall result in receipt by the Noteholders or, if applicable, the Receiptholders and the Couponholders, as the case may be, of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable with respect to any Note, Receipt or Coupon, as the case may be, in respect of any Note to a Noteholder or a beneficial owner (*ayant droit*):

- (i) who is liable for such taxes in respect of such Note by reason of his having some connection with France other than the mere holding of such Note; or
- (ii) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (iii) more than (or, in the case of a Materialised Bearer Note, which is presented for payment more than) 30 days after the Relevant Date (as defined below), except to the extent that the holder thereof would have been entitled to such additional amounts on such Note (or, in the case of a Materialised Bearer Note, on presenting the same for payment) on or before the thirtieth such day; or
- (iv) who would be able to avoid such withholding or deduction by requesting payment under the relevant Note (or, in the case of a Materialised Bearer Note, presenting such Note for payment) to another Paying Agent in a member State of the European Union.

For this purpose, the **Relevant Date** in relation to any Note means whichever is the later of (A) the date on which the payment in respect of such Note first becomes due and payable, and (B) if the full amount of the moneys payable on such date in respect of such Note has not been received by the Fiscal Agent on or prior to such date, the date on which notice is given in accordance with Condition 15 (*Notices*) to Noteholders that such moneys have been so received.

Reference in these Conditions to principal and interest shall be deemed to include any additional amounts that may be payable under the provisions of Condition 8.

9. EVENTS OF DEFAULT

If any of the following events (each an **Event of Default**) shall occur:

- (a) default in any payment when due of interest on any of the Notes, and the continuance of any such default for a period of ten (10) days thereafter; or
- (b) default in the performance of, or compliance with, any other obligation of the Issuer under the Notes, if such default shall not have been remedied within thirty (30) days after receipt by the Fiscal Agent of written notice of such default given by the Representative (as defined in Condition 11 (*Representation of the Noteholders – Legal Personality*)); or

- (c) if any other present or future indebtedness for borrowed monies or guarantee thereof (including contingent obligations) of the Issuer or any Principal Subsidiary (as defined in Condition 4 (*Negative Pledge*)) in excess of Euro 30,000,000 or its equivalent in any other currency, individually or in the aggregate, shall become due and payable prior to its originally stated maturity as a result of a default thereunder, or any such indebtedness or guarantee thereof (including contingent obligations) of the Issuer or any Principal Subsidiary shall not be paid when due or, as the case may be, within any applicable grace period therefor or any steps shall be taken to enforce any security in respect of any such indebtedness or guarantee thereof (including contingent obligations) of the Issuer or any Principal Subsidiary which shall not be honoured when due and called upon; or
- (d) if the Issuer or any Principal Subsidiary is dissolved or liquidated, or is merged or consolidated into another company or entity unless (i) the pro-forma balance sheet of the legal entity surviving such merger or consolidation shows, as at the date of such merger or consolidation, a shareholders' equity equivalent to or greater than that of the merged or consolidated entity on the day before the date of such merger or consolidation and (ii), as regards the Issuer only, the legal entity surviving such merger or consolidation is a corporation established in a member country of the European Community, Switzerland or in the United States of America and expressly assumes all the obligations of the Issuer under the Notes and has obtained all necessary authorisation therefor, and (iii) notice of such merger or consolidation shall have been given to the Noteholders as provided under Condition 15 (*Notices*) below not later than the effective date thereof; or
- (e) if the Issuer or any of its Principal Subsidiaries established in France (i) becomes insolvent or (ii) applies for or is subject to the appointment of a *mandataire ad hoc* under French bankruptcy law or (iii) has entered into a voluntary arrangement with its creditors (*procédure de conciliation*) or (iv) is subject to a judgment rendered for its judicial liquidation (*liquidation judiciaire*) or for a transfer of the whole or part of the business (*cession totale ou partielle de l'entreprise*) or (v) is subject to any analogous proceedings under any applicable law; or
- (f) any Principal Subsidiary of the Issuer not established in France is adjudicated or found bankrupt or insolvent or stops or threatens to stop payment or is found unable to pay its debts or any order is made by any competent court or administrative agency for, or a resolution is passed by it for, judicial composition proceedings with its creditors or for the appointment of a receiver or trustee or other similar official in insolvency proceedings in relation to it or any event occurs which under the law of any relevant jurisdiction has an analogous or equivalent effect;

then any Noteholder may, by notice in writing to the Issuer and the Fiscal Agent before all continuing Events of Default shall have been remedied, cause the Notes held by such Noteholder to become immediately due and payable whereupon they shall become immediately due and payable at their Final Redemption Amount together with any accrued interest thereon.

10. PRESCRIPTION

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within ten (10) years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

11. REPRESENTATION OF NOTEHOLDERS

Except as otherwise provided by the relevant Final Terms, Noteholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a *masse* (in each case, the **Masse**).

The Masse will be governed by the provisions of the French *Code de commerce* with the exception of Articles L.228-48, L.228-59, the second sentence of Article L.228-65 II and Articles R.228-63, R.228-67 and R.228-69 subject to the following provisions:

(a) Legal Personality

The Masse will be a separate legal entity and will act in part through a representative (the **Representative**) and in part through a general meeting of the Noteholders (the **General Meeting**).

The Masse alone, to the exclusion of all individual Noteholders, shall exercise the common rights, actions and benefits which now or in the future may accrue respectively with respect to the Notes.

(b) Representative

The office of Representative may be conferred on a person of any nationality. However, the following persons may not be chosen as Representatives:

- (i) the Issuer; the members of its *Directoire* (Management Board), its *Conseil de Surveillance* (*Supervisory Board*), its *Directeurs Généraux* (general managers), its statutory auditors, its employees and their ascendants, descendants and spouses;
- (ii) companies possessing at least ten (10) per cent. of the share capital of the Issuer or of which the Issuer possesses at least ten (10) per cent. of the share capital;
- (iii) companies guaranteeing all or part of the obligations of the Issuer, their respective managers (*gérants*), general managers, members of their board of directors, management board or supervisory board, their statutory auditors, and their ascendants, descendants and spouses;
- (iv) persons to whom the practice of banker is forbidden or who have been deprived of the right of directing, administering or managing a business in whatever capacity.

The names and addresses of the initial Representative of the Masse and its alternate will be set out in the relevant Final Terms. The Representative appointed in respect of the first Tranche of any Series of Notes will be the representative of the single Masse of all Tranches in such Series.

The Representative will be entitled to such remuneration in connection with its functions or duties as set out in the relevant Final Terms.

In the event of death, retirement or revocation of appointment of the Representative, such Representative will be replaced by another Representative. In the event of the death, retirement or revocation of appointment of the alternate Representative, an alternate will be elected by the General Meeting.

All interested parties will at all times have the right to obtain the names and addresses of the initial Representative and the alternate Representative at the head office of the Issuer and the specified offices of any of the Paying Agents.

(c) **Powers of Representative**

The Representative shall (in the absence of any decision to the contrary of the General Meeting) have the power to take all acts of management necessary in order to defend the common interests of the Noteholders.

All legal proceedings against the Noteholders or initiated by them, must be brought by or against the Representative.

The Representative may not be involved in the management of the affairs of the Issuer.

(d) **General Meeting**

A General Meeting may be held at any time, on convocation either by the Issuer or by the Representative. One or more Noteholders, holding together at least one-thirtieth of the principal amount of the Notes outstanding, may address to the Issuer and the Representative a demand for convocation of the General Meeting. If such General Meeting has not been convened within two months after such demand, the Noteholders may commission one of their members to petition a competent court in Paris to appoint an agent (*mandataire*) who will call the General Meeting.

Notice of the date, hour, place and agenda of any General Meeting will be published as provided under Condition 15 (*Notices*) not less than fifteen (15) days prior to the date of such General Meeting. Each Noteholder has the right to participate in a General Meeting in person, by proxy, by correspondence or, if the *statuts* of the Issuer so specify, by videoconference or by any other means of telecommunication allowing the identification of participating Noteholders¹.

Each Note carries the right to one vote or, in the case of Notes issued with more than one Specified Denomination, one vote in respect of each multiple of the lowest Specified Denomination comprised in the principal amount of the Specified Denomination of such Note.

(e) **Powers of the General Meetings**

The General Meeting is empowered to deliberate on the dismissal and replacement of the Representative and the alternate Representative and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Notes, including authorising the Representative to act at law as plaintiff or defendant.

The General Meeting may further deliberate on any proposal relating to the modification of the Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, it being specified, however, that the General Meeting may not increase the liabilities (*charges*) of the Noteholders, nor establish any unequal treatment between the Noteholders, nor to decide to convert Notes into shares.

¹ At the date of this Base Prospectus the *statuts* of the Issuer do not contemplate the right for a Noteholder to participate in a General Meeting by videoconference or any other means of telecommunication allowing the identification of the participating Noteholders.

General Meetings may deliberate validly on first convocation only if Noteholders present or represented hold at least one fifth of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a simple majority of votes cast by Noteholders attending such General Meetings or represented thereat.

In accordance with Article R.228-71 of the French *Code de commerce*, the right of each Noteholder to participate in General Meetings will be evidenced by the entries in the books of the relevant Account Holder of the name of such Noteholder as of 0:00, Paris time, on the third business day in Paris preceding the date set for the meeting of the relevant general assembly.

Decisions of General Meetings must be published in accordance with the provisions set forth in Condition 15 (*Notices*).

(f) **Information to Noteholders**

Each Noteholder or Representative thereof will have the right, during the 15-day period preceding the holding of each General Meeting (on first convocation), to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at the General Meeting, all of which will be available for inspection by the relevant Noteholders at the registered office of the Issuer, at the specified offices of any of the Paying Agents and at any other place specified in the notice of the General Meeting.

(g) **Expenses**

The Issuer will pay all expenses relating to the operation of the Masse, including expenses relating to the calling and holding of General Meetings and, more generally, all administrative expenses resolved upon by the General Meeting, it being expressly stipulated that no expenses may be imputed against interest payable under the Notes.

(h) **Single Masse**

The holders of Notes of the same Series, and the holders of Notes of any other Series which have been assimilated with the Notes of such first mentioned Series in accordance with Condition 14 (*Further Issues and Consolidation*), shall, for the defence of their respective common interests, be grouped in a single Masse. The Representative appointed in respect of the first Tranche of any Series of Notes will be the Representative of the single Masse of all such Series.

For the avoidance of doubt, in this Condition 11, the term "outstanding" shall not include those Notes that are held by the Issuer and not cancelled (as per Condition 6(i)).

12. MODIFICATIONS

These Conditions may be completed, amended, modified or varied in relation to any Series of Notes by the terms of the relevant Final Terms in relation to such Series.

13. REPLACEMENT OF DEFINITIVE NOTES, RECEIPTS, COUPONS AND TALONS

If, in the case of any Materialised Bearer Notes, a Definitive Materialised Bearer Note, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and Regulated Market or other stock exchange regulations, at the specified office of the Fiscal Agent or such other Paying Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in

each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, inter alia, that if the allegedly lost, stolen or destroyed Definitive Materialised Bearer Note, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Definitive Materialised Bearer Notes, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Materialised Bearer Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

14. FURTHER ISSUES AND CONSOLIDATION

- (a) **Further Issues:** Unless otherwise specified in the relevant Final Terms, the Issuer may, with prior approval of the Redenomination and Consolidation Agents from time to time without the consent of the Noteholders, Receiptholders or Couponholders create and issue further Notes to be assimilated (*assimilées*) with the Notes provided such Notes and the further Notes carry rights identical in all respects (or in all respects save for the principal amount thereof and the first payment of interest in the relevant Final Terms) and that the terms of such Notes provide for such assimilation and references in these Conditions to **Notes** shall be construed accordingly.
- (b) **Consolidation:** The Issuer, with the prior approval of the Consolidation Agent, may from time to time on any Interest Payment Date occurring on or after the Redenomination Date on giving not less than thirty (30) days' prior notice to the Noteholders in accordance with Condition 15 (*Notices*), without the consent of the Noteholders, Receiptholders or Couponholders, consolidate the Notes of one Series with the Notes of one or more other Series issued by it, whether or not originally issued in one of the European national currencies or in euro, provided such other Notes have been redenominated in Euro (if not originally denominated in euro) and which otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions as the Notes.

15. NOTICES

- (a) Notices to the holders of Dematerialised Notes in registered form (*au nominatif*) shall be valid if either, (i) they are mailed to them at their respective addresses, in which case they will be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the mailing, or, (ii) at the option of the Issuer, they are published (a) as long as such Notes are listed and admitted to trading on Euronext Paris, in a daily leading newspaper of general circulation in France (which is expected to be *Les Echos*), or (b) they are published in a leading daily newspaper of general circulation in Europe (which is expected to be the *Financial Times*), or (c) they are published in accordance with Articles 221-3 and 221-4 of the *Règlement Général* of the AMF and so long as such Notes are listed and admitted to trading on any Regulated Market or other stock exchange and the rules of such Regulated Market or other stock exchange so require, in a leading daily newspaper with general circulation in the city where the Regulated Market or other stock exchange on which such Notes are listed and admitted to trading is located and on the website of any other competent authority or Regulated Market of the EEA Member State where the Notes are listed and admitted to trading.
- (b) Notices to the holders of Materialised Bearer Notes and Dematerialised Notes in bearer form (*au porteur*) shall be valid if published (a) so long as such Notes are listed and admitted to trading on Euronext Paris, in a leading daily newspaper of general circulation in France (which is expected to be *Les Echos*), or (b) they are published in a leading daily newspaper of general circulation in Europe (which is expected to be the *Financial Times*) or (c) they are published in accordance with Articles 221-3 and 221-4 of the *Règlement Général* of the AMF and so long as such Notes are listed and admitted to trading on any Regulated Market

or other stock exchange and the rules of such Regulated Market or other stock exchange so require, in a leading daily newspaper with general circulation (i) in the city/ies where the Regulated Market(s) or other stock exchange(s) on which such Notes are listed and admitted to trading is located and on the website of any other competent authority or Regulated Market of the EEA Member State where the Notes are listed and admitted to trading.

- (c) If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Materialised Bearer Notes in accordance with this Condition 15 (*Notices*).
- (d) Notices required to be given to the holders of Dematerialised Notes (whether in registered or in bearer form) pursuant to these Conditions may be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream, Luxembourg and any other clearing system through which the Notes are for the time being cleared in substitution for the mailing and publication of a notice required by Conditions 15(a), (b) and (c) above; except that so long as the Notes are listed and admitted to trading on a Regulated Market or other stock exchange and the rules of such Regulated Market or other stock exchange so require, notices shall also be published in a leading daily newspaper of general circulation in the city where the Regulated Market or other stock exchange on which such Note(s) is/are listed and admitted to trading is located.
- (e) Notices will, if published more than once, be deemed to have been given on the date of the first publication.

16. GOVERNING LAW AND JURISDICTION

- (a) **Governing Law:** The Notes (and, where applicable, the Receipts, the Coupons and the Talons) are governed by, and shall be construed in accordance with, French law.
- (b) **Jurisdiction:** Any claim against the Issuer in connection with any Notes, Receipts, Coupons or Talons may be brought before any competent court located within the jurisdiction of the *Cour d'Appel* of Paris.

TEMPORARY GLOBAL CERTIFICATES ISSUED IN RESPECT OF MATERIALIZED BEARER NOTES

Temporary Global Certificate

A Temporary Global Certificate, without interest Coupons, will initially be issued in connection with Materialised Bearer Notes. Upon the initial deposit of such Temporary Global Certificate with a common depository for Euroclear and Clearstream, Luxembourg (the **Common Depository**), Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

The Common Depository may also (if indicated in the relevant Final Terms) credit the accounts of subscribers with other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems with a nominal amount of Notes. Conversely, a nominal amount of Notes that is initially deposited with any clearing system other than Euroclear or Clearstream, Luxembourg may similarly be credited to the accounts of subscribers with Euroclear or Clearstream, Luxembourg or other clearing systems.

Exchange

Each Temporary Global Certificate issued in respect of Materialised Bearer Notes will be exchangeable, free of charge to the holder, on or after its Exchange Date (as defined below):

- (iv) if the relevant Final Terms indicates that such Temporary Global Certificate is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see "*Summary of the Programme - Selling Restrictions*"), in whole, but not in part, for Definitive Materialised Bearer Notes; and
- (v) otherwise, for Definitive Materialised Bearer Notes upon certification in the form set out in the Agency Agreement as to non-U.S. beneficial ownership.

A Noteholder must exchange its share of the Temporary Global Certificate for definitive Materialised Bearer Notes before interest or any amount payable in respect of the Notes will be paid.

Delivery of Definitive Materialised Bearer Notes

On or after its Exchange Date, the holder of the Temporary Global Certificate must surrender such Temporary Global Certificate to or to the order of the Fiscal Agent. In exchange for the Temporary Global Certificate so surrendered, the Issuer will deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Materialised Bearer Notes.

In this Base Prospectus, **Definitive Materialised Bearer Notes** means, in relation to any Temporary Global Certificate, the definitive Materialised Bearer Notes for which such Temporary Global Certificate may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Temporary Global Certificate and a Talon). Definitive Materialised Bearer Notes will be security printed in accordance with any applicable legal and Regulated Market or stock exchange requirements in, or substantially in, the form set out in the Schedules to the Agency Agreement.

Exchange Date

Exchange Date means, in relation to a Temporary Global Certificate, the day next succeeding the day that is 40 days after its issue date, provided that in the event any further Materialised Bearer Notes which are to be assimilated with such first mentioned Materialised Bearer Notes are issued prior to such day pursuant to Condition 14(a), the Exchange Date may, at the option of the Issuer, be postponed to the day falling after the expiry of 40 days after the issue date of such further Materialised Bearer Notes.

USE OF PROCEEDS

Unless otherwise specified in the relevant Final Terms, the net proceeds of the issue of the Notes will be used for the Issuer's general corporate purposes.

DESCRIPTION OF THE ISSUER

Please refer to the section *Documents Incorporated by Reference* on pages 44 to 48 of this Base Prospectus.

RECENT DEVELOPMENTS

Recent developments in the financial position and outlook:

In the prevailing economic environment, the Group kept up its proactive refinancing strategy and conservative liquidity policy in order to meet its general financing needs, particularly the financing of current and future growth projects. In this respect, the Group could have recourse to both the bank and capital markets financing domestically and internationally. This policy allows the Group to take advantage of all market opportunities in order to refinance itself ahead of its scheduled maturity dates thereby increasing its funding levels and financial stability.

Significant changes in debt:

Since the beginning of 2012, the following significant changes have occurred in gross medium to long-term debt:

- in Brazil, Peugeot Citroën do Brasil Automoveis Ltda's gross medium to long term debt increased by BRL70 million between 31 December 2011 and 29 February 2012, which amounts to a €59 million debt increase, based on the variation of the BRL/EUR exchange rate over this period;
- The European Bank for reconstruction and Development (the EBRD) and a syndicate of banks have agreed in March 2012 to lend to a joint venture formed by the Group and Mitsubishi Motors Corporation €320 million to fund a new plant in Russia.
PSA Peugeot Citroen's stake in the PCMA Rus joint venture is 70%, with Mitsubishi Motors Corporation owning the remaining 30% of the shares of this Russian limited liability company. The EBRD loan is covered by a corporate guarantee from the partners in the joint venture.
- On 11 April 2012, Peugeot S.A. issued €600 millions 5.625 per cent. notes due July 2017 as described in the press release dated 3 April 2012 inserted below.
- Faurecia's gross medium to long term debt increased between 31 December 2011 and 3 May 2012, such increase consisting of (i) €150.5 million market value, as of the end of February 2012, of the €140 million nominal principal amount of additional notes, issued on 14 February 2012, of Faurecia's 9.375% notes due December 2016 initially issued in November 2011; (ii) €100 million of additional drawdown, effected as of the end of February, on its syndicated €1,150 million line of credit negotiated at the end of 2011 and (iii) €250 million nominal principal amount of notes issued on 3 May 2012 of Faurecia's 8.75% notes due June 2019. The net proceeds of such 2019 notes will be used to reduce Faurecia's outstanding debt, including the repayment of part of the revolving indebtedness under its syndicated €1,150 million senior credit facility.

The Issuer published the following press releases:

13 March 2012

Supervisory Board Meeting of 13 March 2012

At its meeting on 13 March 2012, the Supervisory Board of PSA Peugeot Citroën approved the proposed resolutions submitted by the Managing Board, which will be presented to the Annual Shareholders Meeting on 25 April, 2012.

In the light of the Group's 2011 results, the Supervisory Board approved the Managing Board's recommendation to waive the dividend with respect to 2011.

Shareholders will also be requested to change the bylaws to reduce the Supervisory Board members' terms of office from six to four years.

Lastly, shareholders will be invited to elect Mrs Dominique Reiniche and Mr Thierry Pilenko to the Supervisory Board and to re-elect Mr Ernest-Antoine Seillière, Mr Jean-Louis Silvant and Mr Joseph F. Toot Jr.

13 March 2012

The Supervisory Board appoints two new members to the Managing Board

At their meeting of the 13th March 2012, the Supervisory Board of PSA Peugeot Citroën chaired by Thierry Peugeot appointed to the Managing Board Jean-Baptiste de Chatillon, Group Financial Director and Jean-Christophe Quémard, Director of Programmes.

The Président of the Supervisory Board of PSA Peugeot Citroën, Thierry Peugeot declared: "Jean-Baptiste de Chatillon and Jean-Christophe Quémard today joined the Managing Board of the Group. These two highly respected directors who have an excellent knowledge of the Group will help intensify the actions of the Managing Board in the deployment of its strategy, with the support of the Supervisory Board."

Jean-Christophe Quémard, 52, graduated from Ecole des Mines de Saint-Etienne and Ecole du Pétrole et des Moteurs. He joined PSA Peugeot Citroën in 1986 and occupied various positions notably as a Director in the platforms and automotive techniques Department. In 2008 he was appointed Purchasing Director, and a year later he became a member of the Executive Committee. In September 2010 he was appointed Executive Vice-President, Programmes.

Jean-Baptiste de Chatillon joined the Group in 1989. In 1996 he joined the Corporate Finance Department. In 2001 he joined Citroën where he was initially responsible for European Imports, before being named as Managing Director of Citroën Belgium and Luxembourg. In 2006, he was appointed as Director of Warranties, then in 2007 he became Group Financial Controller. In January 2012 he was appointed Executive Vice-President Finance.

Jean-Baptiste de Chatillon, 46, graduated from Paris Dauphine (France) and Lancaster University (UK).

**GM and PSA Peugeot Citroën Announce
Alliance Steering Committee Members**

GM and PSA Peugeot Citroën today announced the creation of their joint Alliance Steering Committee. This Steering Committee will consist of 5 senior executives from each company. It will have strategic managerial oversight of all activities that are currently part of the alliance and any exploration of other potential areas of cooperation.

Representing GM will be:

- **Stephen Girsky**
Vice Chairman, Corporate Strategy, Business Development, Global Product Planning and Global Purchasing and Supply Chain
- **Daniel Ammann**
Senior Vice President and Chief Financial Officer
- **Mary Barra**
Senior Vice President, Global Product Development
- **Stephen Carlisle**
Vice President, Global Product Planning and Program Management
- **Karl-Friedrich Stracke**
Vice President and President, Europe

PSA Peugeot Citroën will be represented by:

- **Jean-Christophe Quémard**
Executive Vice President Programmes
- **Jean-Baptiste de Chatillon**
Executive Vice President and Chief Financial Officer
- **Guillaume Faury**
Executive Vice President Research and Development
- **Yannick Bézard**
Executive Vice President Purchasing
- **Denis Martin**
Executive Vice President Industrial Operations

On February 29, GM and PSA Peugeot Citroën announced the creation of a long-term and broad-scale global strategic alliance that aims to leverage the combined strengths and capabilities of the two companies, contribute to the profitability of both partners and strongly improve their competitiveness in Europe. The alliance enhances but does not replace either company's ongoing independent efforts to return their European operations to sustainable profitability.

The appointment of the Steering Committee members marks the first step for the alliance and illustrates the commitment of the two companies to begin working together. It is expected that work on joint projects will commence before the end of this year.

European Works Council Meeting of 23 March 2012

At this morning's meeting of the European Works Council, management presented the Group's 2011 financial results and discussed the alliance with General Motors announced last 29 February.

As part of the €1 billion cost-reduction plan designed to help restore the Automotive Division's financial situation, **management indicated that certain development projects have been postponed, in line with the need to prioritise capital expenditure commitments. In particular:**

- Process engineering for the dual-clutch transmission, to be manufactured at the Valenciennes plant, has been pushed back seven months. During this period, other, more cost-effective pathways will be explored, in particular through the GM Alliance, to provide the Group with this type of gearbox.
- The C-segment vehicle project planned for the Madrid plant remains suspended.

The recent periods of short-time work in Group plants were necessary to **bring inventory under control**, at a time when the European market has fallen by 9% since the beginning of the year.

Management also announced the launch of five working groups as part of the alliance with GM:

- Two groups are studying the feasibility of developments on shared platforms in the large sedan and roomy compact segments.
- One group is working on a small car programme for emerging markets, with a possible initial application in Latin America.
- One group is looking at a programme to co-develop a low-carbon small car platform.
- And lastly, one group is working on the DCT gearbox programme suspended as part of the 2012 cost reduction plan.

Management indicated that it was important to maintain balance in all of the projects that could come out of these working groups, so that they are a source of progress for both partners.

Employee representatives will be informed and consulted when the working groups have issued their conclusions.

The Research and Development teams concerned may have to change assignments, but the total number of R&D staff will remain unchanged

Concerning the consequences of FIAT's withdrawal from the Sevelnord plant in around 2017, management indicated that the following points would have to be addressed:

- Clarifying beforehand the terms and conditions of FIAT's withdrawal, to as to be free to act as early as possible.
- Finding a new partner.
- Continuing to work on the plant's competitiveness.

**PSA Peugeot Citroën is France's Leading Patent Filer
for the Fifth Straight Year, with 1,237 Patent Applications Published in 2011**

The ranking issued today by France's National Intellectual Property Institute (INPI) has confirmed that once again PSA Peugeot Citroën is the country's leading patent filer, with 1,237 patent applications published in France in 2011.

These patents, which were filed between July 2009 and June 2010, reflect a dynamic innovation strategy that continues to be assertively deployed across the Group and R&D capabilities that are still deeply rooted in France, to support the move upmarket in the Peugeot and Citroën model ranges.

The new patents are part of a continuous innovation process to develop vehicles that are increasingly environmentally gentle thanks to clean technologies and are safer thanks to onboard electronics and connectivity.

One particular focus was emissions control, ahead of the introduction of Euro 6 standards, and all of the technologies that help to limit carbon emissions. For example, the three-cylinder petrol EB engine launched on the Peugeot 208 is covered by 52 patents pending, of which 17 filed during the development of the cylinder head. This was especially engineered to significantly reduce engine bulk, thereby helping to reduce the Peugeot 208's weight and to hold carbon emissions to just 99g/km for the 1.0-litre version.

HYbrid4 technology, which made its world debut on the Peugeot 3008, Peugeot 508 RXH and Citroën DS5, is covered by 300 patents pending to guarantee protection of this full-hybrid powertrain, which combines the performance of an HDi diesel engine and the efficiency of electric propulsion.

In the area of safety, the patents filed reflected major strategic innovation programmes to offer increasingly safe vehicles :

- One example is the AFIL lane departure warning system, which alerts drivers who inadvertently drift across a lane. The system's latest generation reads the road with a digital camera embedded in the upper windscreen.
- An innovation offered on the Citroën DS5 automatically switches between high and low beams depending on the surrounding traffic.
- In the same way, intelligent traction control offers powerful driver support when the weather turns bad.

"Maintaining this level of patent activity in the midst of a recession attests to our commitment to preserving a dynamic industrial property policy. We are particularly committed to strengthening our patent policy on a highly selective basis, in order to enhance the impact of the Group intellectual property title portfolio and consolidate the protection of its strategic technologies. This sustained performance over the past five years also demonstrates the commitment of our 17,000 technicians and engineers to delivering innovative responses to the aspirations of our customers," said Marc Duval-Destin, Vice President, Research and Advanced Engineering.

Successful completion of PSA Peugeot Citroën's c. €1.0 billion capital increase with preferential subscription rights

The share capital increase with preferential subscription rights launched by PSA Peugeot Citroën on March 06, 2012 has been successfully concluded. The final gross proceeds amount to €999,013,089, corresponding to the issue of 120,799,648 new shares.

Total subscription orders amounted to approximately €1.78 billion, representing a subscription ratio of 178%:

- 119,101,968 new shares were subscribed by irrevocable entitlement (*à titre irréductible*), representing approximately 98.6% of the total number of new shares;
- 96,431,058 new shares were requested on a basis subject to reduction (*à titre réductible*), and will, as a result, only be satisfied in part, in the amount of 1,697,680 new shares.

"PSA Peugeot Citroën is pleased by the success of this offering, which will permit to fund investments related to projects that are core to the global strategic Alliance with General Motors. The Group thanks all its shareholders for the statement of confidence they made regarding its globalisation and upscaling strategy and growth perspectives." declared Philippe Varin, CEO.

Following the capital increase with preferential subscription rights, the Peugeot Family Group remains PSA Peugeot Citroën's major shareholder with 25.2% of the capital and 37.9% of the exercisable voting rights. The Peugeot Family Group exercised 32,875,655 preferential subscription rights, representing 45.4% of its rights, for a total amount of approximately €140 million.

Following the capital increase with preferential subscription rights, and as a result of the strategic Alliance, announced on February 29, 2012, General Motors becomes the second largest shareholder of PSA Peugeot Citroën, with 7% of the capital, through the acquisition and exercise of the Peugeot Family Group's remaining preferential subscription rights and the acquisition of treasury shares sold by PSA Peugeot Citroën.

Settlement and delivery of the new shares and listing on Euronext Paris (Compartment A) will take place on March 29, 2012. The new shares will be immediately fungible with and trade on the same ISIN as the existing shares (FR0000121501). As from this date, the share capital of PSA Peugeot Citroën will be composed of 354,848,992 shares with a nominal value of €1 each, which translates into a total share capital of €354,848,992.

The capital increase was led by a syndicate of banks led by BNP Paribas, Morgan Stanley and Société Générale Corporate & Investment Banking as Joint Global Coordinators, Joint Lead Managers and Joint Bookrunners, and HSBC, as Co-Lead Manager and Joint Bookrunner.

2 April 2012

**PSA Peugeot Citroën Announces Sale of Head Office Building
at 75 avenue de la Grande Armée in Paris**

PSA Peugeot Citroën today signed with a subsidiary of Ivanhoé Cambridge, the real estate arm of Caisse de dépôt et placement du Québec, a commitment to sell the property complex located 69 to 81 avenue de la Grande Armée and 6 to 8 rue Pergolèse in the 16th arrondissement of Paris. The Group will lease back the building under a renewable nine-year lease.

The sale, for a total amount of €245.5 million, was part of the property disposal programme announced by PSA Peugeot Citroën last February during the presentation of its 2011 financial results.

3 April 2012

**PSA Peugeot Citroën
€600m bond issue due July 2017**

PSA Peugeot Citroën successfully placed a €600m bond issue, with a 5.25 year maturity (July 2017) and carrying a coupon of 5.625%.

This bond issue confirms the Group's ability to seize opportunities in the bond market.

This issue allows the group to refinance the 2013 maturities (€1.4 billion) on favourable terms.

Following on from the successful transactions carried out in 2010 and 2011, it is part of the Group's balanced management of its debt maturity profile and is consistent with its average debt maturity objective.

First-Quarter 2012 Group Revenues
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- **First-quarter 2012 Group revenues of €14.3 billion, down 7% compared with the previous year.**
 - **Automotive Division revenues down 14% year-on-year: 8% contraction in the European market compared to first-quarter 2011 which benefited from increase in registrations ahead of the scrappage incentives withdrawal and sustained pricing pressure.**
 - **Strong revenue growth at Faurecia, up 8%, and Banque PSA Finance, up 6%.**
 - **Modest decrease at Gefco, down 4%.**
- **Global alliance with GM underway. Success of €1 billion capital increase.**
- **Peugeot 208 launched on 29 March.**
- **Asset sales: Citer sold for €448 million and signature of an agreement for sale of the Paris headquarters building for €245 million.**
- **€1 billion cost reduction action plans on going.**
- **€600 million bond issue and €700 million in LTRO¹ financing obtained by Banque PSA Finance.**

Consolidated revenues (in € millions)	Q1 2011	Q1 2012	% change
Automotive Division	11,262	9,719	-14%
Faurecia	3,963	4,297	+8%
Gefco	977	935	-4%
Banque PSA Finance	470	496	+6%
Other businesses and intersegment eliminations	(1,258)	(1,158)	-
	15,414	14,289	-7%
PSA Peugeot Citroën			

Outlook for 2012

Group revenues for first-quarter 2012 were down 7% compared with the same period of 2011, which was lifted by the increase in registrations ahead of the withdrawal of scrappage incentives.

The competitive environment remained difficult during the quarter, with pricing pressure similar to the last quarter of 2011 and markets in Southern Europe worsened considerably, with an unfavourable impact on the Group's country mix. This environment should last throughout the first half of the year.

In 2012, the Group continues to expect the Europe 30 market to contract by c.5% and by c.10% in France. Outside Europe, the Group is anticipating growth of c.7% in China, c.6% in Latin America and c.5% in Russia.

In this tough environment, the Group net debt should reduce significantly, supported by the cost reduction plan and the cash management program, by asset disposals and the new model launches.

The €1 billion cost reduction plan is in the process of being implemented. Nearly half of the €1.5 billion asset disposal plan had been completed during the first-quarter, with the sale of Citer for €448 million and the signature of an agreement for sale for the Paris headquarters building for €245 million.

¹ LTRO: Long-Term Refinancing Operation conducted by the European Central Bank

The first key milestones in the global strategic alliance set up with GM on 29 February 2012 were attained during the quarter, with the creation of the Steering Committee on 26 March, the successful €1 billion share issue on 27 March and negotiations for the logistics agreement on going.

AUTOMOTIVE DIVISION

Automotive Division revenues decreased by 14% in the first quarter of 2012 to €9,719 million from €11,262 million in the first quarter 2011 which was lifted by the increase in registrations ahead of the withdrawal of scrappage incentives. Worldwide sales totalled 790,100 vehicles, down 14.2%, with sales of assembled vehicles 15.1% lower at 691,500 units. The decrease reflected sharp contractions in Europe and Latin America, partly offset by higher unit sales in Russia and China.

Revenues from new vehicle sales amounted to €6,978 million compared with €8,399 million in first-quarter 2011. The 16.9% decrease was attributable to several factors:

- Assembled vehicle volumes fell by 18.1% excluding China, reflecting an unfavourable country mix and erosion of market share in Europe in the first quarter.
- The price effect was a negative 0.9%, as price pressure remained similar to that experienced in the second half of 2011 with additional product enrichment.
- Other effects represented a negative 1.4%, mainly corresponding to lower CKD sales.

These adverse factors were partially offset by a further 3.3% improvement in the product mix, on top of a strong effect in the first quarter of 2011. The improvement was driven mainly by recent launches (Citroën DS4, DS5, Peugeot 508, SW, RXH, 3008HY4) and by the success of the premium models² which now account for 18% of sales.

New vehicle inventory at 31 March represents 70 days' sales. The Group confirms its objective of reaching 2010 inventories levels in June and in December 2012, with a consolidated DSI ratio of 61 days at the end of the year compared with 69 days at 31 December 2011, and 72 days at 30 June versus 76 days at end-June 2011.

GEOGRAPHICAL HIGHLIGHTS³

Europe⁴:

European automotive markets contracted sharply by 8% in the first quarter.

Markets in Western Europe were down by 8.5%, with wide variations by country. Markets in Southern Europe collapsed, with falls of 19.4% in France, 22.4% in Italy and 4.3% in Spain. The Group is heavily exposed to these markets, which account for 56% of its European sales. The United Kingdom market contracted by 0.7%, while the German market grew by 1.2%.

In Central and Eastern Europe, markets rose by 1.8% overall during the quarter.

In light of the persistently unfavourable market mix for the Group and pent-up demand in the A and B segments ahead of the Peugeot 208's launch at the end of the quarter, Group market share remained stable compared with fourth-quarter 2011 at 12.9%. Excluding the effect of the changes in country mix, market share in the first quarter would have stood at 13.5%.

PSA Peugeot Citroën maintained its leadership in a light commercial vehicle market down 11% over the quarter, with a 21.1% share at the end of March.

China:

In a slightly slower market in the first quarter, based on invoices, the Group increased its market share to 3.6% with volumes up 6.3%. Growth was led by the successful launch of the Peugeot 308 and 508, and by

² Premium vehicles: Citroën DS3, DS4, DS5, C5, C6, C4-Aircross, C-Crosser & Peugeot 206 CC, 207 CC, 308 CC, 3008, RCZ, 407, 508, 607, 4007, 4008

³ Registrations / China : invoices w/o imports

⁴ Europe = EU + EFTA + Albania + Bosnia + Croatia + Kosovo + Macedonia + Montenegro + Serbia

the development of the dealer networks. DPCA will expand its model line-up in 2012 with the addition of two C segment vehicles.

Russia:

The Russian market continued to improve, growing by 18% in the first quarter. The Group's sales in this country rose 23% and its market share widened to 3% at end-March, reflecting the launches of the Peugeot 508 and the Citroën DS4 and a 79% gain in the light commercial vehicles segment. Four other models will be launched in 2012.

Latin America:

Markets in Latin America softened, with overall growth slipping to just 2% and the Brazilian market down 1%. The Group's unit sales fell by 25% during the quarter as a result of the market slowdown and technical problems that delayed the restarting of production at Porto Real following work to increase capacity. At the end of March, the Group's market share stood at 5.1% compared with 6% a year earlier. The Peugeot 308 was introduced to the market in the first quarter and the launch of five other new models will also help refresh the line-up.

CKD units:

CKD sales totalled 98,600 units, a decrease of 8%. This was mainly due to the suspension of CKD sales in Iran since February, following tighter international sanctions which resulted in payments stopping due to financing difficulties.

PRODUCT HIGHLIGHTS

In all of its developing areas, PSA Peugeot Citroën's marketing strategy is designed to move the Peugeot and Citroën brands upmarket. This process continued apace in the first quarter, with premium models accounting for 18% of Group sales, versus 16% in the same period of 2011. The trend will continue with the ramp-up of deliveries of the DS5, the introduction of two SUVs in the C segment, the Peugeot 4008 and the Citroën C4 Aircross, and the launch of four diesel hybrid models (Peugeot 3008 HY4, 508 RXH, 508 HY4 and Citroën DS5 HY4) that underscore the Group's technological advance.

The launch of the 208 on 29 March has brought the Peugeot brand's style code to a new generation and revamped the B segment line-up with a vehicle that is 110 kg lighter than the Peugeot 207, and offers fuel consumption of 3.4 litres per 100 km with CO₂ emissions of just 87g per km.

FAURECIA

Faurecia reported revenues of €4,297 million for the first quarter of 2012, an increase of 8%. Revenues dipped 2% in Europe but increased in all other regions, with gains of 39.5% in North America, 1.4% in South America and 23.6% in Asia. Revenues from product sales were up 8% at €3,353 million. Across the business base, automotive seats gained 7%, interior systems 9% and emissions control technologies 15%, while automotive exteriors contracted by 3%.

GEFCO

Gefco's revenues totalled €935 million for the quarter, down 4% due to lower volumes in Europe. Gefco is accelerating its growth generated by third parties.

BANQUE PSA FINANCE

Banque PSA Finance's revenues rose by 6% to €496 million in the first quarter. The loan book increased by 1% to €24.2 billion. A total of 210,000 new loans were originated, a decrease of 8% due to the slowdown in vehicle sales in Europe over the period partially offset by an increase in market share.

Worldwide Automobile Sales

In thousand units*		Q1 2011	Q1 2012	Variation
Europe**	AP	305 200	240 300	-21,3%
	AC	270 300	219 100	-18,9%
	Total PSA	575 500	459 400	-20,2%
Russia	AP	9 600	11 100	15,6%
	AC	6 000	8 000	33,3%
	Total PSA	15 600	19 100	22,4%
Latin America	AP	39 900	32 500	-18,5%
	AC	29 700	19 500	-34,3%
	Total PSA	69 600	52 000	-25,3%
China	AP	43 000	54 700	27,2%
	AC	59 600	54 400	-8,7%
	Total PSA	102 600	109 100	6,3%
Rest of the world	AP	34 200	35 700	4,4%
	AC	16 600	16 200	-2,4%
	Total PSA	50 800	51 900	2,2%
Total Assembled Vehicles	AP	431 900	374 300	-13,3%
	AC	382 200	317 200	-17,0%
	Total PSA	814 100	691 500	-15,1%
CKD	AP	107 300	98 600	-8,1%
	AC	0	0	-
	Total PSA	107 300	98 600	-8,1%
Total Assembled Vehicles + CKD	AP	539 200	472 900	-12,3%
	AC	382 200	317 200	-17,0%
	Total PSA	921 400	790 100	-14,2%

* Assembled vehicles, CKD units

** Europe = Eu + EFTA + Albania + Bosnia + Croatia + Kosovo + Macedonia + Montenegro + Serbia

Financial Calendar:

- 25 April 2012: Annual Shareholders' Meeting
- 25 July 2012: First-half 2012 results
- 24 October 2012: Third-quarter 2012 revenues

TAXATION

The following is a general description of certain tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in France or elsewhere. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date.

EU Savings Directive

On 3 June 2003, the European Council of Economics and Finance Ministers adopted Directive 2003/48/EC on the taxation of savings income (the **Savings Directive**). Pursuant to the Savings Directive, Member States are required, since 1 July 2005, to provide to the tax authorities of another Member State, inter alia, details of payments of interest within the meaning of the Savings Directive (interest, premium or other debt income) made by a paying agent located within their jurisdiction to, or for the benefit of, an individual resident in that other Member State or to certain limited types of entities established in that other Member State (the **Disclosure of Information Method**).

For these purposes, the term **paying agent** is defined widely and includes in particular any economic operator who is responsible for making interest payments, within the meaning of the Savings Directive, for the immediate benefit of individuals.

However, throughout a transitional period, certain Member States (the Grand-Duchy of Luxembourg and Austria), instead of using the Disclosure of Information Method used by other Member States, unless the relevant beneficial owner elects for the Disclosure of Information Method, withhold an amount on interest payments. The rate of such withholding tax equals 35 per cent. until the end of the transitional period.

Such transitional period will end at the end of the first full fiscal year following the later of (i) the date of entry into force of an agreement between the European Community, following a unanimous decision of the European Council, and the last of Switzerland, Liechtenstein, San Marino, Monaco and Andorra, providing for the exchange of information upon request as defined in the OECD Model Agreement on Exchange of Information on Tax Matters released on 18 April 2002 (the **OECD Model Agreement**) with respect to interest payments within the meaning of the Savings Directive, in addition to the simultaneous application by those same countries of a withholding tax on such payments at the rate applicable for the corresponding periods mentioned above and (ii) the date on which the European Council unanimously agrees that the United States of America is committed to exchange of information upon request as defined in the OECD Model Agreement with respect to interest payments within the meaning of the Savings Directive.

A number of non-EU countries and dependent or associated territories have agreed to adopt similar measures (transitional withholding or exchange of information) with effect since 1 July 2005.

The European Commission has proposed certain amendments to the Savings Directive which may, if implemented, amend or broaden the scope of the requirements described above.

France

French withholding tax

Following the introduction of the French *loi de finances rectificative pour 2009 n°3* (n° 2009-1674 dated 30 December 2009) (the **Law**), payments of interest and other revenues made by the Issuer with respect to Notes issued from 1 March 2010 will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a **Non-Cooperative State**). If such payments under the Notes are made in a Non-Cooperative State, a 50 per cent. withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of any applicable double tax treaty) by virtue of Article 125 A III of the French *Code général des impôts*.

Furthermore, according to Article 238 A of the French *Code général des impôts*, interest and other revenues on such Notes will no longer be deductible from the Issuer's taxable income, as from the fiscal years starting on or after 1 January 2011, if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid in such a Non-Cooperative State (the **Deductibility Exclusion**). Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Article 109 of the French *Code général des impôts*, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* of the French *Code général des impôts*, at a rate of 30 per cent. or 55 per cent. subject to the more favourable provisions of an applicable double tax treaty.

Notwithstanding the foregoing, the Law provides that neither the 50 per cent. withholding tax set out under Article 125 A III of the French *Code général des impôts* nor the Deductibility Exclusion will apply in respect of an issue of Notes if the Issuer can prove that the principal purpose and effect of such issue of Notes were not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the **Exception**). Pursuant to the ruling (*rescrit*) n° 2010/11 (FP and FE) of the French tax authorities dated 22 February 2010, an issue of Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of such issue of Notes, if such Notes are:

- (i) offered by means of a public offer within the meaning of Article L.411-1 of the French *Code monétaire et financier* or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or
- (ii) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or
- (iii) admitted, at the time of their issue, to the clearing operations of a central depository or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-2 of the French *Code monétaire et financier*, or of one or more similar foreign depositories or operators provided that such depository or operator is not located in a Non-Cooperative State.

Savings Directive

The Savings Directive was implemented into French law under Article 242 *ter* of the French *Code général des impôts*, which imposes on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another Member State, including, among other things, the identity and address of the beneficial owner and a detailed list of the different categories of interest paid to that beneficial owner.

Please refer to the section "EU Savings Directive" above for more details.

Luxembourg

The following summary is of a general nature and is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. Prospective Noteholders should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

The residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. In addition, a reference to Luxembourg income tax encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*) as well as personal income tax (*impôt sur le revenu*) generally. Investors may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income tax, municipal business tax as well as the solidarity surcharge invariably apply to most corporate taxpayers resident of Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

Taxation of the Noteholders

Withholding Tax

(i) Non-resident Noteholders

Under Luxembourg general tax laws currently in force and subject to the laws of 21 June 2005, as amended, there is no withholding tax on payments of principal, premium or interest made to non-resident Noteholders, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident Noteholders.

Under the Savings Laws implementing the Council Directive 2003/48/EC of 3 June 2003 (the Savings Directive) on taxation of savings income in the form of interest payments and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (the Territories), payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by the Laws, which are resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax unless the relevant recipient has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her/its country of residence or establishment, or, in the case of an individual beneficial owner, has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Savings Laws will be subject to a withholding tax of 35 per cent.

(ii) Resident Noteholders

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident Noteholders, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident Noteholders.

Under the Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the benefit of an individual beneficial owner who is resident of Luxembourg will be

subject to a withholding tax of 10 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Law will be subject to a withholding tax of 10 per cent.

Income Taxation

(i) Non-resident Noteholders

A non-resident Noteholder, not having a permanent establishment or permanent representative in Luxembourg to which/whom such Notes are attributable, is not subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Notes. A gain realised by such non-resident Noteholder on the sale or disposal, in any form whatsoever, of the Notes is further not subject to Luxembourg income tax.

A non-resident corporate Noteholder or an individual Noteholder acting in the course of the management of a professional or business undertaking, who has a permanent establishment or permanent representative in Luxembourg to which or to whom such Notes are attributable, is subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Notes and on any gains realised upon the sale or disposal, in any form whatsoever, of the Notes.

(ii) Resident Noteholders

Noteholders who are residents of Luxembourg will not be liable for any Luxembourg income tax on repayment of principal.

(a) Luxembourg resident corporate Noteholder

A corporate Noteholder must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realised on the sale or disposal, in any form whatsoever, of the Notes, in its taxable income for Luxembourg income tax assessment purposes. The same inclusion applies to an individual Noteholder, acting in the course of the management of a professional or business undertaking.

A Noteholder that is governed by the law of 11 May 2007 on family estate management companies, as amended, or by the law of 17 December 2010 on undertakings for collective investment, or by the law of 13 February 2007 on specialised investment funds, as amended, is neither subject to Luxembourg income tax in respect of interest accrued or received, any redemption premium or issue discount, nor on gains realised on the sale or disposal, in any form whatsoever, of the Notes.

(b) Luxembourg resident individual Noteholder

An individual Noteholders, acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax at progressive rates in respect of interest received, redemption premiums or issue discounts, under the Notes, except if (i) withholding tax has been levied on such payments in accordance with the Law, or (ii) the individual Noteholder has opted for the application of a 10 per cent tax in full discharge of income tax in accordance with the Law, which applies if a payment of interest has been made or ascribed by a paying agent established in a EU Member State (other than Luxembourg), or in a Member State of the European Economic Area (other than a EU Member State), or in a state that has entered into a treaty with Luxembourg relating to the Savings Directive. A gain realised by an individual Noteholder, acting in the course of the management of his/her private wealth, upon the sale or disposal, in any form whatsoever, of Notes is not subject to Luxembourg income tax, provided this sale or disposal took place more than six months after the Notes were acquired. However, any portion of such gain corresponding to accrued but unpaid interest income is subject to Luxembourg income tax, except if tax has been levied on such interest in accordance with the Law.

An individual Noteholder acting in the course of the management of a professional or business undertaking must include this interest in its taxable basis. If applicable, the tax levied in accordance with the Law will be credited against his/her final tax liability.

Net Wealth Taxation

A corporate Noteholder, whether it is resident of Luxembourg for tax purposes or, if not, it maintains a permanent establishment or a permanent representative in Luxembourg to which/whom such Notes are attributable, is subject to Luxembourg wealth tax on such Notes, except if the Noteholder is governed by the law of 11 May 2007 on family estate management companies, as amended, or by the law of 17 December 2010 on undertakings for collective investment, or by the law of 13 February 2007 on specialised investment funds, as amended, or is a securitisation company governed by the law of 22 March 2004 on securitisation, as amended, or is a capital company governed by the law of 15 June 2004 on venture capital vehicles, as amended.

An individual Noteholder, whether he/she is resident of Luxembourg or not, is not subject to Luxembourg wealth tax on such Notes.

Other Taxes

Neither the issuance nor the transfer of Notes will give rise to any Luxembourg stamp duty, value added tax, issuance tax, registration tax, transfer tax or similar taxes or duties.

However, a nominal registration duty may be due upon the registration of the Notes in Luxembourg in the case of legal proceedings before Luxembourg courts or in case the Notes must be produced before an official Luxembourg authority, or in the case of a registration of the Notes on a voluntary basis.

Where a holder of Notes is a resident of Luxembourg for tax purposes at the time of his/her death, the Notes are included in his/her taxable estate for inheritance tax assessment purposes.

Gift tax may be due on a gift or donation of Notes if embodied in a Luxembourg deed passed in front of a Luxembourg notary or recorded in Luxembourg.

Hong Kong

The statements below regarding taxation are based on the law and practice of Hong Kong at the date of this Base Prospectus and are subject to any subsequent changes in law or practice (which could be made on a retrospective basis). The following statements do not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and may not apply equally to all persons. Prospective purchasers of the Notes are advised to consult their own tax advisers concerning the tax consequences of their ownership of the Notes.

Withholding Tax

No withholding tax is payable in Hong Kong in respect of payments of principal or interest on the Notes or in respect of any capital gains arising from the sale of the Notes.

Profits Tax

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Under the Inland Revenue Ordinance (Cap. 112) of Hong Kong, as it is currently applied by the Inland Revenue Department, interest on the Notes may be deemed to be profits arising in or derived from Hong Kong from a trade, profession or business carried on in Hong Kong in the following circumstances:

- (i) interest on the Notes is derived from Hong Kong and is received by or accrues to a company, carrying on a trade, profession or business in Hong Kong; or
- (ii) interest on the Notes is derived from Hong Kong and is received by or accrues to a person, other than a company, carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business; or
- (iii) interest on the Notes is received by or accrues to a financial institution (as defined in the Inland Revenue Ordinance) and arises through or from the carrying on by the financial institution of its business in Hong Kong.

Sums received by or accrued to a financial institution by way of gains or profits arising through or from the carrying on by the financial institution of its business in Hong Kong from the sale, disposal or redemption of Notes will be subject to profits tax.

Sums derived from the sale, disposal or redemption of Bearer Notes will be subject to Hong Kong profits tax where received by or accrued to a person, other than a financial institution, who carries on a trade, profession or business in Hong Kong and the sum has a Hong Kong source. Similarly, such sums in respect of Registered Notes received by or accrued to either the aforementioned person and/or a financial institution will be subject to Hong Kong profits tax if such sums have a Hong Kong source.

The source of such sums will generally be determined by having regard to the manner in which the Notes are acquired and disposed.

Stamp Duty

Stamp duty will not be payable on the issue of Bearer Notes provided either:

- (i) such Bearer Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or
- (ii) such Bearer Notes constitute loan capital (as defined in the Stamp Duty Ordinance (Cap. 117) of Hong Kong).

If stamp duty is payable, it is payable by the Issuer on issue of Bearer Notes at a rate of 3 per cent. of the market value of the Notes at the time of issue.

No stamp duty will be payable on any subsequent transfer of Bearer Notes.

No stamp duty is payable on the issue of Registered Notes. Stamp duty may be payable on any transfer of Registered Notes if the relevant transfer is required to be registered in Hong Kong. Stamp duty will, however, not be payable on any transfers of Registered Notes provided that either:

- (i) the Registered Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or
- (ii) the Registered Notes constitute loan capital (as defined in the Stamp Duty Ordinance (Cap. 117) of Hong Kong).

If stamp duty is payable in respect of the transfer of Registered Notes it will be payable at the rate of 0.2 per cent. (of which 0.1 per cent. is payable by the seller and 0.1 per cent. is payable by the purchaser) normally

by reference to the value of the consideration. If, in the case of either the sale or purchase of such Registered Notes, stamp duty is not paid, both the seller and the purchaser may be liable jointly and severally to pay any unpaid stamp duty and also any penalties for late payment. If stamp duty is not paid on or before the due date (two days after the sale or purchase if effected in Hong Kong or 30 days if effected elsewhere) a penalty of up to 10 times the duty payable may be imposed. In addition, stamp duty is payable at the fixed rate of HK\$5 on each instrument of transfer executed in relation to any transfer of the Registered Notes if the relevant transfer is required to be registered in Hong Kong.

Estate Duty

No estate duty will be payable in respect of Bearer Notes and Registered Notes in Hong Kong.

People's Republic of China (the PRC)

Under the PRC Enterprise Income Tax Law which was promulgated by the National People's Congress of the PRC on 16 March 2007 and became effective on 1 January 2008, an enterprise established in the PRC or in a foreign country with a "de facto management body" located within the PRC is considered a "PRC tax resident enterprise" and will normally be subject to the enterprise income tax at the rate of 25% for its worldwide income.

Under the PRC Enterprise Income Tax Law and PRC Individual Income Tax Law (which was promulgated by the Standing Committee of National People's Congress of the PRC on 30 June 2011 and became effective on the same date), if the Issuer is considered to be a PRC tax resident enterprise, interest payable to non-resident Noteholders and gains from transfer of Notes realised by such non-resident Noteholders may be regarded as income from sources within the PRC and therefore be subject to a 10% enterprise income tax if the Noteholder is a non-resident enterprise, or 20% individual income tax if the Noteholder is a non-resident individual, both to be withheld by the Issuer from the interest payments thereto. To the extent that the PRC has entered into arrangements relating to the avoidance of double-taxation with any jurisdiction, such as France, Hong Kong and Singapore, that allow a lower rate of withholding tax, such lower rate may apply to Noteholders who qualify for such treaty benefits.

If the Issuer is not considered a PRC tax resident enterprise, the holders of Notes who are not PRC residents for PRC tax purposes will not be subject to withholding tax, income tax or any other taxes or duties imposed by any governmental authority in the PRC in respect of Notes or any repayment of principal and payment of interest made thereon.

SUBSCRIPTION AND SALE

Summary of Dealer Agreement

Subject to the terms and on the conditions contained in an amended and restated dealer agreement dated 16 May 2012 (the **Dealer Agreement**) between the Issuer, the Permanent Dealers and the Arranger, the Notes will be offered on a continuous basis to the Permanent Dealers. However, the Issuer has reserved the right to issue Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be placed by the Issuer through the Dealers, acting as agents of such Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arranger for certain of its expenses incurred in connection with the update of the Programme and the Dealers for certain of their activities in connection with the Programme.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

Selling Restrictions

United States

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**), or with any securities regulatory authority of any state or other jurisdiction of the U.S., and may not be offered or sold within the United States, or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act and in compliance with any applicable state securities laws. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act (**Regulation S**).

Materialised Bearer Notes are bearer notes under U.S. tax law which are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions, or to a United States person except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that, except as permitted by the Dealer Agreement, it will not offer, sell or, in the case of Materialised Bearer Notes, deliver Notes of any Tranche, (i) as part of its distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche as determined, and certified to the Issuer, by the Fiscal Agent, or in the case of Notes issued on a syndicated basis, the Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each Dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting out the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of any Tranche of Notes, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

This Base Prospectus has been prepared by the Issuer for use in connection with the offer and sale of the Notes outside the United States. The Issuer and the Dealers reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Base Prospectus does not constitute an offer to any person in the United States or to any U.S. person. Distribution of this Base Prospectus by any non-U.S. person outside the United States or to any other person within the United States, other than those persons, if any, retained to advise such non-U.S. person with respect thereto, is unauthorised and any disclosure without the prior written consent of the Issuer or any of its contents to any such U.S. person or other person within the United States, other than those persons, if any, retained to advise such non-U.S. person, is prohibited.

Each issue of index-, commodity- or currency-linked Notes shall be subject to such additional U.S. selling restrictions as the relevant Dealer(s) shall agree with the Issuer as a term of the issue and purchase or, as the case may be, subscription of such Notes. Any such additional selling restrictions shall be included in the relevant Final Terms.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the **FSMA**) by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Public Offer Selling Restriction under the Prospectus Directive

Please note that, in relation to EEA Member States, additional selling restrictions may apply in respect of any specific EEA Member State, including those set out in relation to the United Kingdom and France in this section.

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **Relevant Implementation Date**) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- (a) if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a **Non-exempt Offer**), following the date of publication of a prospectus in relation to such Notes which has

been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or Final Terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt offer;

- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 100 natural or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and the amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in the Relevant Member State and the expression 2010 PD Amending Directive means Directive 2010/73/EU.

France

Each of the Dealers and the Issuer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) ***Offer to the public in France*** – it has only made and will only make an offer of Notes to the public in France and it has distributed or caused to be distributed and will distribute or cause to be distributed to the public in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes in the period (i) beginning (A) when a prospectus in relation to those Notes has been approved by the *Autorité des marchés financiers (AMF)*, on or after the date of its publication or (B) when a prospectus has been approved by the competent authority of another Member State of the European Economic Area which has implemented the Directive 2003/71/EC (as amended by Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010) on the prospectus to be published when securities are offered to the public or admitted to trading, on or after the date of notification of such approval to the AMF and (ii) ending at the latest on the date which is 12 months after the date of approval of such prospectus – all in accordance with Articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and the *Règlement général* of the AMF; or
- (b) ***Private placement in France*** – it has not offered or sold and will not offer or sell, directly or indirectly, Notes (in the case of Notes admitted to trading on Euronext Paris, in connection with their initial distribution) to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes, and such offers, sales and distributions have been and will be made in France only to (i) providers of investment services relating to portfolio management for the account of third parties, and/or (ii) qualified investors

(*investisseurs qualifiés*) other than individuals – all as defined in, and in accordance with, Articles L.411-1, L.411-2, D.411-1 to D.411-3 of the French *Code monétaire et financier*.

Hong Kong

Each Dealer has represented and agreed that and each further Dealer appointed under the Programme will be required to represent and agree that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) other than (i) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (the Law No. 25 of 1948, as amended, the **FIEA**). Accordingly, each of the Dealers has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Control Law (Law No. 228 of 1949, as amended)) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEA and other relevant laws and regulations of Japan.

People's Republic of China (the PRC)

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that neither it nor any of its affiliates has offered or sold or will offer or sell, directly or indirectly, any of the Notes in the PRC, except as permitted by applicable laws and regulations in the PRC.

Singapore

Each Dealer has acknowledged that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the **SFA**), (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1), or

any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law; or
- (iv) as specified in Section 276(7) of the SFA.

The Grand Duchy of Luxembourg

In addition to the cases described in the selling restrictions under the heading "Public Offer Selling Restriction under the Prospectus Directive" in which any Dealer can make an offer of Notes to the public in an EEA Member State (including the Grand Duchy of Luxembourg), any Dealer can also make an offer of Notes to the public in the Grand Duchy of Luxembourg:

- (a) at any time, to national and regional governments, central banks, international and supranational institutions (such as the International Monetary Fund, the European Central Bank, the European Investment Bank) and other similar international organisations;
- (b) at any time, to legal entities which are authorised or regulated to operate in the financial markets (including, credit institutions, investment firms, other authorised or regulated financial institutions, undertakings for collective investment and their management companies, pension and investment funds and their management companies, insurance undertakings and commodity dealers) as well as entities not so authorised or regulated whose corporate purpose is solely to invest in securities; and
- (c) at any time, to certain natural persons or small and medium-sized enterprises (as defined in the Luxembourg act dated 10 July 2005 on prospectuses for securities implementing the Directive 2003/71/EC (the Prospectus Directive) into Luxembourg law) recorded in the register of natural persons or small and medium-sized enterprises considered as qualified investors as held by the *Commission de surveillance du secteur financier* as the competent authority in Luxembourg in accordance with the Prospectus Directive.

General

These selling restrictions may be modified by the agreement of the Issuer and the Dealers following a change in relevant law, regulation or directive. Any such modification or supplement will be set out in the Final Terms issued in respect of the issue of Notes to which it relates or in a supplement to this Base Prospectus.

Save as stated herein, no action has been taken in any jurisdiction that would permit an offer to the public of any of the Notes. Neither the Issuer nor any of the Dealers represents that Notes may at any time lawfully be resold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such resale.

Each Dealer has agreed that it will (to the best of its knowledge and belief after making reasonable enquiries) comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Base Prospectus, any other offering material or any Final Terms and obtain any consent, approval or permission required for the purchase, offer or sale of Notes under the laws and regulations in force in any jurisdiction in which it makes such purchase, offer or sale in all cases at its own expense and none of the Issuer or any other Dealer shall have responsibility therefor.

Each of the Dealers and the Issuer has represented and agreed that Materialised Notes may only be issued outside France.

**FORM OF FINAL TERMS FOR NOTES WITH A DENOMINATION OF AT LEAST
€50,000/€100,000**

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme with a denomination of at least EUR 50,000/EUR 100,000 (or its equivalent in another currency).

Final Terms dated [●]

[Logo, if document is printed]

PEUGEOT S.A.

(the **Issuer**)

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

Under the

Euro [●],000,000,000

Euro Medium Term Note Programme

for the issue of Notes

SERIES NO: [●]

TRANCHE NO: [●]

[Name(s) of Dealer(s)]

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 16 May 2012 which received visa no. 12-213 from the *Autorité des marchés financiers* (the **AMF**) on 16 May 2012 [and the supplement to the Base Prospectus dated [●] which received visa no. [●] from the AMF on [●]] which [together] constitute[s] a base prospectus for the purposes of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 as amended (which includes the amendments made by Directive 2010/73/EU (the **2010 PD Amending Directive**) to the extent that such amendments have been implemented in a Member State) (the **Prospectus Directive**). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus [and the supplement to the Base Prospectus] [is] [are]] available for viewing on the website of the AMF (www.amf-france.org), on the Issuer's website (www.psa-peugeot-citroen.com) and copies may be obtained from the Issuer at 75, avenue de la Grande Armée, 75016 Paris, France.

The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the Base Prospectus dated [*original date*] [which received visa no. [●] from the *Autorité des marchés financiers* (the **AMF**) on [●]] [and the supplement to the Base Prospectus dated [●] [which received visa no. [●] from the AMF on [●]]]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 as amended (which includes the amendments made by Directive 2010/73/EU (the **2010 PD Amending Directive**) to the extent that such amendments have been implemented in a Member State) (the **Prospectus Directive**) and must be read in conjunction with the Base Prospectus dated [*current date*] which received visa no. [●] from the AMF on [●] [and the supplement to the Base Prospectus dated [●] which received visa no. [●] from the AMF on [●], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the Base Prospectus dated [*original date*] [and the supplement to the Base Prospectus dated [●]] and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus dated [*original date*] and the Base Prospectus dated [*current date*] [and the supplement to the Base Prospectus dated [●]]. The Base Prospectus [and the supplement to the Base Prospectus] are available for viewing on the website of the AMF (www.amf-france.org) and on the Issuer's website (www.psa-peugeot-citroen.com) and copies may be obtained from the Issuer at 75, avenue de la Grande Armée, 75016 Paris, France.

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs. *Italics denote guidance for completing the Final Terms.*]

[When completing any final terms, or adding any other final terms or information, consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]

[If the Notes have a maturity of less than one year from the date of their issue, the minimum denomination must be £100,000 or its equivalent in any other currency.]

[NB: *In the case of Notes which do not benefit from the Exception provided under the ruling (rescrit) n°2010/11 (FP and FE) of the French tax authorities dated 22 February 2010 (please see Taxation section of the Base Prospectus), it will be necessary to (a) make additional modifications to the terms of these Final Terms and (b) consider including additional risk factors, to take account of the tax regime introduced by Article 22 of the French loi de finances rectificative pour 2009 n°3 (n°2009-1674 dated 30 December 2009).]*

1. Issuer: Peugeot S.A.

2. [(i) Series Number: [●]

[(ii) Tranche Number: [●]

[(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)]

3. Specified Currency or Currencies: [●]
4. Aggregate Nominal Amount: [●]
- [(i) Series: [●]
- [(ii) [Tranche: [●]]
5. Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* (*in the case of fungible issues only if applicable*)]
6. Specified Denominations: [●] (*one denomination only for the Dematerialised Notes*)

(N.B. Following the entry into force of the 2010 PD Amending Directive on 31 December 2010, Notes to be admitted to trading on a regulated market within the European Economic Area with a maturity date which will fall after the implementation date of the 2010 PD Amending Directive in the relevant European Economic Area Member State (which is due to be no later than 1 July 2012) must have a minimum denomination of EUR 100,000 (or equivalent) in order to benefit from Transparency Directive exemptions in respect of wholesale securities. Similarly, Notes issued after the implementation of the 2010 PD Amending Directive in a Member State must have a minimum denomination of EUR 100,000 (or equivalent) in order to benefit from the wholesale exemption set out in Article 3.2(d) of the Prospectus Directive in that Member State.)

7. [(i) Issue Date: [●]
- [(ii) Interest Commencement Date [●] [*Specify/Issue Date/Not Applicable*]
8. Maturity Date: [*specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*]
9. Interest Basis: [[●] per cent. Fixed Rate]
- [[*specify reference rate*] +/- [●] per cent. Floating Rate]
- [Zero Coupon]
- [Index Linked Interest]
- [Other (*specify*)]
- (further particulars specified below)

10. Redemption/Payment Basis¹: [Redemption at par]
[Index Linked Redemption]
[Dual Currency]
[Partly Paid]
[Instalment]
[Other (*specify*)]
11. Change of Interest or Redemption/Payment Basis: [*Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis*]
12. Put/Call Options: [Not Applicable]
[Investor Put]
[Issuer Call]
[Put Option in case of Change of Control]
[(further particulars specified below)]
13. [(i) Status of the Notes: Senior
(ii) [Date of corporate authorisations for issuance of Notes obtained: [●] [and [●], respectively]]
(*N.B Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes*)]
14. Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. Fixed Rate Note Provisions [Applicable/Not Applicable]
(*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
- [(i) Rate[(s)] of Interest: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
(ii) Interest Payment Date(s): [●] in each year [adjusted in accordance with [the Business Day Convention specified below]²[*specify Business Day Convention and any applicable Business Centre(s) for the definition of Business Day*]/not adjusted]

¹ If the Final Redemption Amount is more or less than 100 per cent. of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex XII are dealt with.

² RMB Notes only.

- [(iii) Fixed Coupon Amount[(s)]: [●] per [●] in Nominal Amount]³
- [(iv) Broken Amount(s): *[Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount(s) and the Interest Payment Date(s) to which they relate]*
- [(v) Day Count Fraction (Condition 5(a)): [30/360 / Actual/Actual ([ICMA]/ISDA)/other]
- [(vi) Determination Dates (Condition 5(a)): [●] in each year (*insert regular Interest Payment Dates, ignoring Issue Date or Maturity Date in the case of a long or short first or last Coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA)*)
- [Business Day Convention [Floating Rate Business Day Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ other (give details)]]⁴
- [(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/*give details*]
- [(viii) Party responsible for calculating Interest Amounts (if not the Calculation Agent) [●]/[Not Applicable]]⁵
- 16. Floating Rate Note Provisions** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- [(i) Interest Period(s): [●]
- [(ii) Specified Interest Payment Dates: [●]
- [(iii) First Interest Payment Date: [●]
- [(iv) Investment Period Date: [●] (Not applicable unless different from Interest Payment Date)
- [(v) Business Day Convention: [Floating Rate Business Day Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ other (*give details*)]
- [(vi) Business Centre(s) (Condition 5(a)): [●]

³ Not applicable for RMB Notes.

⁴ RNB Notes only.

⁵ RNB Notes only.

- [(vii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/FBF Determination/other (*give details*)]
- [(viii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): [●]
- [(ix) Screen Rate Determination [(Condition 5(c)(iii)(C))]:
- Reference Rate: [●]
 - Interest Determination Date(s): [●] *[TARGET] Business Days in [specify city] for [specify currency] prior to [the first day of each Interest Accrual Period/each Interest Payment Date]*
 - Relevant Screen Page: [●]
- [(x) FBF Determination [(Condition 5(c)(iii)(A))]:
- Floating Rate: [●]
 - Floating Rate Determination Date (*Date de Détermination du Taux Variable*): [●]
- [(xi) ISDA Determination (Condition 5(c)(iii) (B)):
- Floating Rate Option: [●]
 - Designated Maturity: [●]
 - Reset Date: [●]
 - ISDA Definitions (if different from those set out in the Conditions) [●]
- [(xii) Margin(s): [+/-][●] per cent. per annum
- [(xiii) Minimum Rate of Interest: [●] per cent. per annum
- [(xiv) Maximum Rate of Interest: [●] per cent. per annum
- [(xv) Day Count Fraction (Condition 5(a)): [●]
- [(xvi) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on [●]

Floating Rate Notes, if different from those set out in the Conditions:

- 17. Zero Coupon Note Provisions** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- [(i) Amortisation Yield (Condition 6(f)(i)): [●] per cent. per annum
- [(ii) Day Count Fraction (Condition 5(a)): [●]
- [(iii) Any other formula/basis of determining amount payable: [●]
- 18. Index-Linked Interest Note/other variable-linked interest Note Provisions** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- [(i) Index/Formula/other variable: [give or annex details]
- [(ii) Party responsible for calculating the Rate(s) of the due interest (if not the Calculation Agent): [●]
- [(iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable: [●]
- [(iv) Interest Determination Date(s): [●]
- [(v) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [●]
- [(vi) Interest Period(s): [●]
- [(vii) Specified Interest Payment Dates: [●]
- [(viii) Business Day Convention: [Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
- [(ix) Business Centre(s) (Condition 5(a)): [●]

[(x) Minimum Rate of Interest: [●] per cent. per annum

[(xi) Maximum Rate of Interest: [●] per cent. per annum

[(xii) Day Count Fraction (Condition 5(a)): [●]

19. Dual Currency Note Provisions⁶ [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

[(i) Rate of Exchange/method of calculating Rate of Exchange: [give details]

[(ii) Party responsible for calculating the principal and/or interest due (if not the Calculation Agent): [●]

[(iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [●]

[(iv) Person at whose option Specified Currency(ies) is/are payable: [●]

[(v) Day Count Fraction (Condition 5(a)): [●]

PROVISIONS RELATING TO REDEMPTION

20. Call Option [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

[(i) Optional Redemption Date(s): [●]

[(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●] per Note [of [●] Specified Denomination]⁷

[(iii) If redeemable in part:

(a) Minimum nominal amount to be redeemed: [●]

(b) Maximum nominal amount to be redeemed: [●]

⁶ If the Final Redemption Amount is more or less than 100 per cent. of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex XII are dealt with.

⁷ Delete bracketed text in the case of Dematerialised Notes.

[(iii) Option Exercise Date(s): [●]

[(iv) Description of any other Issuer's option: [●]

[(v) Notice period⁸ [●]

21. Put Option [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

[(i) Optional Redemption Date(s): [●]

[(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●] per Note [of [●] Specified Denomination]⁹

[(iii) Option Exercise Date(s): [●]

[(iv) Description of any other Issuer's option: [●]

[(v) Notice period (if other than set out in the Conditions): [●]

22. Change of Control Put Option [Applicable/Not Applicable]

23. Final Redemption Amount of each Note¹⁰ [[●] per Note [of [●] Specified Denomination]¹¹ /other/see Appendix]

In cases where the Final Redemption Amount is Index-Linked or other variable-linked:

[(i) Index/Formula/variable: *[give or annex details]*

[(ii) Party responsible for calculating the Final Redemption Amount (if not the Calculation Agent): [●]

[(iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: [●]

[(iv) Determination Date(s): [●]

⁸ If setting notice periods which are different to those provided in the terms and conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and its fiscal agent.

⁹ Delete bracketed text in the case of Dematerialised Notes.

¹⁰ If the Final Redemption Amount is more or less than 100 per cent. of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex XII are dealt with.

¹¹ Delete bracketed text in the case of Dematerialised Notes.

- [(v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [●]
- [(vi) Payment Date: [●]
- [(vii) Minimum Final Redemption Amount: [●]
- [(viii) Maximum Final Redemption Amount: [●]

24. Early Redemption Amount

- [(i) Early Redemption Amount(s) of each Note payable on redemption for taxation reasons (Condition 6(g)), for illegality (Condition 6(k)) or on event of default (Condition 9) or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): [●]
- [(ii) Redemption for taxation reasons permitted on days others than Interest Payment Dates (Condition 6(g)): [Yes/No]
- [(iii) Unmatured Coupons to become void upon early redemption (Materialised Bearer Notes only) (Condition 7(f)): [Yes/No/Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 25. Form of Notes:** [Dematerialised Notes/Materialised Notes] *(Materialised Notes are only in bearer form and may only be issued outside France).*
- [Delete as appropriate]*
- [(i) Form of Dematerialised Notes: [Not Applicable/specify whether bearer dematerialised form (*au porteur*)/administered registered dematerialised form (*au nominatif administré*)/fully registered dematerialised form (*au nominatif pur*)]
 - [(ii) Registration Agent [Not Applicable/Applicable] *[if applicable give name and details] (note that a registration agent must be*

appointed in relation to fully registered dematerialised Notes only)

- [(iii) Temporary Global Certificate: [Not Applicable/Temporary Global Certificate exchangeable for Definitive Materialised Notes on [●] (the Exchange Date), being 40 days after the Issue Date subject to postponement as specified in the Temporary Global Certificate]
- [(iv) Applicable TEFRA exemption: [C Rules/D Rules/Not Applicable] (*Only applicable to Materialised Notes*)
- 26.** Financial Centre(s) (Condition 7(h)) or other special provisions relating to Payment Dates: [Not Applicable/*give details. Note that this item relates to the date and place of payment, and not interest period end dates, to which items 15(ii), 16(iii) and 18(vii) relates*]
- 27.** Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. *If yes, give details*]
- 28.** Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not Applicable/*give details*]
- 29.** Details relating to Instalment Notes: [Not Applicable/*give details*]
- [(i) Instalment Amount(s): [●]
- [(ii) Instalment Date(s): [●]
- [(iii) Minimum Instalment Amount: [●]
- [(iv) Maximum Instalment Amount: [●]

30. Redenomination, renominatisation and reconventioning provisions: [Not Applicable/The provisions [in Condition 1(e)] apply]
31. Consolidation provisions: [Not Applicable/The provisions [in Condition 14(b)] apply]
32. Masse (Condition 11) [Applicable/Not Applicable/Condition 11 replaced by the full provisions of French *Code de commerce* relating to the Masse] (*Note that: (i) in respect of any Tranche of Notes issued outside France, Condition 11 may be waived, amended or supplemented, and (ii) in respect of any Tranche of Notes issued inside France, Condition 11 must be waived in its entirety and replaced by the provisions of the French Code de commerce relating to the Masse. If Condition 11 (as it may be amended or supplemented) applies or if the full provisions of the French Code de commerce apply, insert details of Representative and Alternative Representative and remuneration, if any).*)
- [Any applicable currency disruption/fallback provisions:]¹² [Not Applicable/give details]
33. Other final terms: [Not Applicable/give details]
- (When adding any other final terms consideration should be given as to whether such terms constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)*

DISTRIBUTION

34. [(i) If syndicated, names of Managers: [Not Applicable/give names of Managers]
- [(ii) Stabilising Manager(s) (if any): [Not Applicable/give name]
35. If non-syndicated, name and address of Dealer: [Not Applicable/give name and address]
36. Additional selling restrictions: [Not Applicable/give details]
37. U.S. Selling Restrictions: Category 2 restrictions apply to the Notes

[PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue [and] [public offer in the Public Offer Jurisdictions] [and] [admission to trading on [specify relevant regulated market] of the Notes described herein pursuant to the €5,000,000,000 Euro Medium Term Note Programme of the Issuer.

¹² In respect of RMB Notes, consider the insertion of Payment in US Dollar Equivalent provisions.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By:

Duly authorised

PART B – OTHER INFORMATION

1. Risk Factors

[Insert any risk factors that are material to the Notes being offered and/or listed and admitted to trading in order to assess the market risk associated with these Notes and that may affect the Issuer's ability to fulfil its obligations under the Notes which are not covered under "Risk Factors" in the Base Prospectus. If any such additional risk factors need to be included consideration should be given as to whether they constitute a "significant new factor" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]

2. Listing and Admission to Trading

[(i) Listing: [Euronext Paris/other (specify)/None]

[(ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on [●] with effect from [●].]
[Not Applicable.]

(Where documenting a fungible issue need to indicate that original securities are already admitted to trading.)

[(iii) Estimate of total expenses related to admission to trading: [●]

[(iv) Additional publication of Base Prospectus and Final Terms: [●] *(See Condition 15 which provides that the Base Prospectus and Final Terms of Notes admitted to trading on any regulated market of the EEA will be published on the website of the Autorité des marchés financiers. Please provide for additional methods of publication in respect of an admission to trading on a regulated market other than Euronext Paris)*

3. Ratings

Ratings: [Not Applicable] [The Notes to be issued have been rated:

[Moody's: [●]]

[S&P: [●]]

[[Other]: [●]]

[[Each of [●], [●] and] [●] is established in the European Union and is registered under Regulation (EC) No 1060/2009 (as amended). As such, [each of [●], [●] and] [●] is included in the list of credit rating agencies published by the European Securities Markets Authority on its website in accordance with such Regulation.]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

4. [Notification]

The Autorité des marchés financiers [has been requested to provide/has provided - include first alternative for an issue which is contemporaneous with the update of the Programme and the second alternative for subsequent issues] the [include names of competent authorities of host Member States] with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.]

5. [Third party information and statement by experts and declarations of any interest]

If advisors are mentioned in these Final Terms, specify the capacity in which the advisors have acted.

Specify other information mentioned in the Final Terms which has been audited or reviewed by auditors and where auditors have produced a report. Insert the report or, with permission of the competent authority, a summary of the report.

Where a statement or report attributed to a person as an expert is included in these Final Terms in respect of the Issuer or the Notes, provide such person's name, business address, qualifications and material interest if any in the Issuer. If the report has been produced at the Issuer's request a statement to that effect that such statement or report is included, in the form and context in which it is included, with the consent of that person who has authorised the contents of that part in respect of the Issuer or the Notes.

Where information has been sourced from a third party, provide a confirmation that this information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

In addition, the Issuer shall identify the source(s) of the information.]

6. [Interests of Natural and Legal Persons Involved in the [Issue/Offer]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"Save as discussed in ["Subscription and Sale"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."

7. Reasons for the Offer, Estimated Net Proceeds and Total Expenses

[(i) Reasons for the offer [●]

(See ["Use of Proceeds"] wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)]

[(i)] Estimated net proceeds: [●]

(If proceeds are intended for more than one use will

need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

[(ii)] Estimated total expenses:

[●]. [Include breakdown of expenses.]

(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)

8. [Fixed Rate Notes only – Yield

Indication of yield:

[●].

[Calculated as [include details of method of calculation in summary form] on the Issue Date.]

[The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

9. [Floating Rate Notes only - Historic Interest Rates

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters].]

10. [Index-Linked or other Variable-Linked Notes only – Performance of Index/Formula/Other Variable, Explanation of Effect on Value of Investment and Associated Risks and Other Information Concerning the Underlying

Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident. [Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information.]¹³

11. [Dual Currency Notes only – Performance of Rate[s] of Exchange and Explanation of Effect on Value of Investment

Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]

12. [Derivatives Only - Other Information concerning the Securities to be [offered]/[admitted to Trading]]¹⁴

Name of the issuer of the underlying security: [●]

ISIN Code: [●]

¹³ Required for derivative securities to which Annex XII to the Prospectus Directive Regulation applies.
¹⁴ Required for derivative securities.

- Underlying interest rate: [●]
- Relevant weightings of each underlying in the basket: [●]
- Adjustment rules with relation to events concerning the underlying: [●]
- Source of information relating to the [Index]/[Indices]: [●]
- Place where information relating to the [Index]/[Indices] can be obtained: [●]
- Name and address of entities which have a firm commitment to act as intermediaries in secondary trading: [●]
- Details of any market disruption/settlement disruption events affecting the underlying: [●]
- Exercise price/find reference price of underlying: [●]
- Details of how the value of investment is affected by the value of the underlying instrument(s): [●]
- Details of settlement procedure of derivative securities: [●]
- Details of how any return on derivative securities takes place, payment or delivery date, and manner of calculation: [●]
- Details of any post-issuance information to be provided (only in case of derivatives instruments). Details of any post-issuance information relating to the underlying to be provided and where such information can be obtained: [●]

13. [Placing and Underwriting]¹⁵

- Name and address of the co-ordinator(s) of the global offer and of single parts of the offer: [●]
- Name and address of any paying agents and depository agents in each country (in addition to the Principal Paying Agent): [●]
- Names and addresses of entities agreeing to underwrite the issue on a firm commitment basis, and entities agreeing to place the issue [●]

¹⁵ To the extent known to the Issuer, of the places in the various countries where the offer takes place.

without a firm commitment or under "best efforts" arrangements:¹⁶

When the underwriting agreement has been or will be reached:

14. Operational Information

ISIN Code: FR

Common Code:

Any clearing system(s) other than Euroclear France, Euroclear Bank S.A./N.V. and Clearstream Banking, Société Anonyme and the relevant identification number(s): *[Not Applicable/give name(s) and number(s)]*

Delivery: Delivery [against/free of] payment

Names and addresses of initial Paying Agent(s):

Names and addresses of additional Paying Agent(s) (if any):

¹⁶ Where not all of the issue is underwritten, a statement of the portion not covered.

**FORM OF FINAL TERMS FOR NOTES WITH A DENOMINATION OF LESS THAN
€50,000/€100,000**

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme with a denomination of less than EUR 50,000/EUR 100,000 (or its equivalent in another currency).

Final Terms dated [●]

[Logo, if document is printed]

PEUGEOT S.A.

(the **Issuer**)

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

Under the

Euro [●],000,000,000

Euro Medium Term Note Programme

for the issue of Notes

SERIES NO: [●]

TRANCHE NO: [●]

[Name(s) of Dealer(s)]

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph 2 below, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so:

1. in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or
2. in those Public Offer Jurisdictions mentioned in Paragraph 39 of Part A below, provided such person is one of the persons mentioned in Paragraph 39 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

The expression **Prospectus Directive** means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression **2010 PD Amending Directive** means Directive 2010/73/EU. [*Consider including this legend where a non-exempt offer of Notes is anticipated*]

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

The expression **Prospectus Directive** means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression **2010 PD Amending Directive** means Directive 2010/73/EU. [*Consider including this legend where only an exempt offer of Notes is anticipated*]

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 16 May 2012 which received visa no. 12-213 from the *Autorité des marchés financiers* (the **AMF**) on 16 May 2012 [and the supplement to the Base Prospectus dated [●] which received visa no. [●] from the AMF on [●]] which [together] constitute[s] a base prospectus for the purposes of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 as amended by Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010 (the **Prospectus Directive**). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus [and the supplement to the Base Prospectus] [is] [are]] available for viewing on the website of the AMF (www.amf-france.org), on the Issuer's website (www.psa-peugeot-citroen.com) and copies may be obtained from the Issuer at 75, avenue de la Grande Armée, 75016 Paris, France.

The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the Base Prospectus dated [*original date*] [which received visa no. [●] from the *Autorité des marchés financiers* (the **AMF**) on [●]] [and the supplement to the Base Prospectus dated [●] [which received visa no. [●] from the AMF on [●]]]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 as amended by Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010 (the **Prospectus Directive**) and must be read in conjunction with the Base Prospectus dated [*current date*] which received visa no. [●] from the AMF on [●] [and the supplement to the Base Prospectus dated [●] which received visa no. [●] from the AMF on [●], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the Base Prospectus dated [*original date*] [and the supplement to the Base Prospectus dated [●]] and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus dated [*original date*] and the Base Prospectus

dated [*current date*] [and the supplement to the Base Prospectus dated [●]]. The Base Prospectus [and the supplement to the Base Prospectus] are available for viewing on the website of the AMF (www.amf-france.org) and on the Issuer's website (www.psa-peugeot-citroen.com) and copies may be obtained from the Issuer at 75, avenue de la Grande Armée, 75016 Paris, France.

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering *should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs. Italics denote guidance for completing the Final Terms.*]

[When completing any final terms, or adding any other final terms or information, consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]

[If the Notes have a maturity of less than one year from the date of their issue, the minimum denomination may need to be £100,000 or its equivalent in any other currency.]

[NB: *In the case of Notes which do not benefit from the Exception provided under the ruling (rescrit) n°2010/11 (FP and FE) of the French tax authorities dated 22 February 2010 (please see Taxation section of the Base Prospectus), it will be necessary to (a) make additional modifications to the terms of these Final Terms and (b) consider including additional risk factors, to take account of the tax regime introduced by Article 22 of the French loi de finances rectificative pour 2009 n°3 (n°2009-1674 dated 30 December 2009).]*

1. Issuer: Peugeot S.A.
2. [(i) Series Number: [●]
[(ii) Tranche Number: [●]
[(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)]
3. Specified Currency or Currencies: [●]
4. Aggregate Nominal Amount: *[insert amount or in case of public offer, manner in which and date on which such amount will be made public]*
[(i) Series: [●]
[(ii) [Tranche: [●]]
5. Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*in the case of fungible issues only if applicable*)]
6. Specified Denominations: [●] (*one denomination only for the Dematerialised Notes*)

(N.B. If an issue of Notes is (i) NOT admitted to trading on an European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be

published under the Prospectus Directive the €1,000 minimum denomination is not required.)

(N.B. Notes issued after the implementation of the 2010 PD Amending Directive in a Member State must have a minimum denomination of EUR 100,000 (or equivalent) in order to benefit from the wholesale exemption set out in Article 3.2(d) of the Prospectus Directive in that Member State.)

7. [(i) Issue Date: [●]
[(ii) Interest Commencement Date [●] [*Specify/Issue Date/Not Applicable*]
8. Maturity Date: [*specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*]
9. Interest Basis: [[●] per cent. Fixed Rate]
[[*specify reference rate*] +/- [●] per cent. Floating Rate]
[Zero Coupon]
[Index Linked Interest]
[Other (*specify*)]
(further particulars specified below)
10. Redemption/Payment Basis¹⁷: [Redemption at par]
[Index Linked Redemption]
[Dual Currency]
[Partly Paid]
[Instalment]
[Other (*specify*)]
11. Change of Interest or Redemption/Payment Basis: [*Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis*]
12. Put/Call Options: [Not Applicable]
[Investor Put]
[Issuer Call]
[Put Option in case of Change of Control]

¹⁷ If the Final Redemption Amount is more or less than 100 per cent. of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex XII are dealt with.

[(further particulars specified below)]

13. [(i) Status of the Notes: Senior
- [(ii) [Date of corporate authorisations for issuance of Notes obtained: [●] [and [●], respectively]]
- (N.B Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)]*
14. Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. Fixed Rate Note Provisions [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- [(i) Rate[(s)] of Interest: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
- [(ii) Interest Payment Date(s): [●] in each year [adjusted in accordance with [the Business Day Convention specified below]¹⁸[specify Business Day Convention and any applicable Business Centre(s) for the definition of Business Day]/not adjusted]
- [(iii) Fixed Coupon Amount[(s)]: [●] per [●] in Nominal Amount]¹⁹
- [(iv) Broken Amount(s): *[Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount(s) and the Interest Payment Date(s) to which they relate]*
- [(v) Day Count Fraction (Condition 5(a)): [30/360 / Actual/Actual ([ICMA]/ISDA/other)]
- [(vi) Determination Dates (Condition 5(a)): [●] in each year *(insert regular Interest Payment Dates, ignoring Issue Date or Maturity Date in the case of a long or short first or last Coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))*
- [Business Day Convention [Floating Rate Business Day Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ other (give details)]]²⁰
- [(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/give details]

¹⁸ RMB Notes only.

¹⁹ Not applicable for RMB Notes.

²⁰ RMB Notes only.

[(viii) Party responsible for calculating Interest Amounts (if not the Calculation Agent) /[Not Applicable]]²¹

16. Floating Rate Note Provisions [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

[(i) Interest Period(s):

[(ii) Specified Interest Payment Dates:

[(iii) First Interest Payment Date:

[(iv) Interest Period Date: (Not applicable unless different from Interest Payment Date)

[(v) Business Day Convention: [Floating Rate Business Day Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ other *(give details)*]

[(vi) Business Centre(s) [(Condition 5(a))]:

[(vii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/FBF Determination/other *(give details)*]

[(viii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent):

[(ix) Screen Rate Determination (Condition 5(c)(iii)(C)):

– Reference Rate:

– Interest Determination Date(s): [*TARGET*] *Business Days in [specify city] for [specify currency] prior to [the first day of each Interest Accrual Period/each Interest Payment Date]*

– Relevant Screen Page:

[(x) FBF Determination [(Condition 5(c)(iii)(A))]:

– Floating Rate:

– Floating Rate Determination Date

²¹ RMB Notes only.

	(Date de Détermination du Taux Variable):	[●]
[(xi)	ISDA Determination (Condition 5(c)(iii) (B)):	
	– Floating Rate Option:	[●]
	– Designated Maturity:	[●]
	– Reset Date:	[●]
	– ISDA Definitions (if different from those set out in the Conditions)	[●]
[(xii)	Margin(s):	[+/-][●] per cent. per annum
[(xiii)	Minimum Rate of Interest:	[●] per cent. per annum
[(xiv)	Maximum Rate of Interest:	[●] per cent. per annum
[(xv)	Day Count Fraction (Condition 5(a)):	[●]
[(xvi)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[●]
17.	Zero Coupon Note Provisions	[Applicable/Not Applicable]
		<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
[(i)	Amortisation Yield (Condition 6(f)(i)):	[●] per cent. per annum
[(ii)	Day Count Fraction (Condition 5(a)):	[●]
[(iii)	Any other formula/basis of determining amount payable:	[●]
18.	Index-Linked Interest Note/other variable-linked interest Note Provisions	[Applicable/Not Applicable]
		<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
[(i)	Index/Formula/other variable:	[give or annex details]
[(ii)	Party responsible for calculating the Rate(s) of the due interest (if	[●]

not the Calculation Agent):

- [(iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable:
- [(iv) Interest Determination Date(s):
- [(v) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted:
- [(vi) Interest Period(s):
- [(vii) Specified Interest Payment Dates:
- [(viii) Business Day Convention: Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)
- [(ix) Business Centre(s) (Condition 5(a)):
- [(x) Minimum Rate of Interest: per cent. per annum
- [(xi) Maximum Rate of Interest: per cent. per annum
- [(xii) Day Count Fraction (Condition 5(a)):

19. Dual Currency Note Provisions²² Applicable/Not Applicable

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- [(i) Rate of Exchange/method of calculating Rate of Exchange: *[give details]*
- [(ii) Party responsible for calculating the principal and/or interest due (if not the Calculation Agent):
- [(iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable:

²² If the Final Redemption Amount is more or less than 100 per cent. of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex XII are dealt with.

[(iv) Person at whose option Specified Currency(ies) is/are payable: [●]

[(v) Day Count Fraction (Condition 5(a)): [●]

PROVISIONS RELATING TO REDEMPTION

20. Call Option [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

[(i) Optional Redemption Date(s): [●]

[(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●] per Note [of [●] Specified Denomination]²³

[(iii) If redeemable in part:

(a) Minimum nominal amount to be redeemed: [●]

(b) Maximum nominal amount to be redeemed: [●]

[(iv) Option Exercise Date(s): [●]

[(v) Description of any other Issuer's option: [●]

[(vi) Notice period²⁴ [●]

21. Put Option [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

[(i) Optional Redemption Date(s): [●]

[(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●] per Note [of [●] Specified Denomination]²⁵

[(iii) Option Exercise Date(s): [●]

[(iv) Description of any other Issuer's option: [●]

²³ Delete bracketed text in the case of Dematerialised Notes.

²⁴ If setting notice periods which are different to those provided in the terms and conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and its fiscal agent.

²⁵ Delete bracketed text in the case of Dematerialised Notes.

[(v) Notice period (if other than set out in the Conditions): [●]

22. Change of Control Put Option [Applicable/Not Applicable]

23. Final Redemption Amount of each Note²⁶ [[●] per Note [of [●] Specified Denomination]²⁷ /other/see Appendix]

In cases where the Final Redemption Amount is Index-Linked or other variable-linked:

[(i) Index/Formula/variable: [give or annex details]

[(ii) Party responsible for calculating the Final Redemption Amount (if not the Calculation Agent): [●]

[(iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: [●]

[(iv) Determination Date(s): [●]

[(v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [●]

[(vi) Payment Date: [●]

[(vii) Minimum Final Redemption Amount: [●]

[(viii) Maximum Final Redemption Amount: [●]

24. Early Redemption Amount

[(i) Early Redemption Amount(s) of each Note payable on redemption for taxation reasons (Condition 6(g)), for illegality (Condition 6(k)) or on event of default (Condition 9) or other early redemption and/or the [●]

²⁶ If the Final Redemption Amount is more or less than 100 per cent. of the nominal value, the Notes will constitute derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex XII are dealt with.

²⁷ Delete bracketed text in the case of Dematerialised Notes.

method of calculating the same (if required or if different from that set out in the Conditions):

- [(ii) Redemption for taxation reasons permitted on days others than Interest Payment Dates (Condition 6(g)): [Yes/No]
- [(iii) Unmatured Coupons to become void upon early redemption (Materialised Bearer Notes only) (Condition 7(f)): [Yes/No/Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25. Form of Notes: [Dematerialised Notes/Materialised Notes] *(Materialised Notes are only in bearer form and may only be issued outside France).*
- [Delete as appropriate]*
- [(i) Form of Dematerialised Notes: [Not Applicable/specify whether bearer dematerialised form (*au porteur*)/administered registered dematerialised form (*au nominatif administré*)/fully registered dematerialised form (*au nominatif pur*)]
- [(ii) Registration Agent [Not Applicable/Applicable] *[if applicable give name and details] (note that a registration agent must be appointed in relation to fully registered dematerialised Notes only)*
- [(iii) Temporary Global Certificate: [Not Applicable/Temporary Global Certificate exchangeable for Definitive Materialised Notes on [●] (the **Exchange Date**), being 40 days after the Issue Date subject to postponement as specified in the Temporary Global Certificate]
- [(iv) Applicable TEFRA exemption: [C Rules/D Rules/Not Applicable] *(Only applicable to Materialised Notes)*
26. Financial Centre(s) (Condition 7(h)) or other special provisions relating to Payment Dates: [Not Applicable/give details. Note that this item relates to the date and place of payment, and not interest period end dates, to which items 15(ii), 16(iii) and 18(vii) relates]
27. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. If yes, give details]
28. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any [Not Applicable/give details]

right of the Issuer to forfeit the Notes and interest due on late payment:

29. Details relating to Instalment Notes: [Not Applicable/*give details*]
- [(i) Instalment Amount(s): [●]
- [(ii) Instalment Date(s): [●]
- [(iii) Minimum Instalment Amount: [●]
- [(iv) Maximum Instalment Amount: [●]
30. Redenomination, renominatisation and reconventioning provisions: [Not Applicable/The provisions [in Condition 1(e)] apply]
31. Consolidation provisions: [Not Applicable/The provisions [in Condition 14(b)] apply]
32. Masse (Condition 11) [Applicable/Not Applicable/Condition 11 replaced by the full provisions of French *Code de commerce* relating to the Masse] (*Note that: (i) in respect of any Tranche of Notes issued outside France, Condition 11 may be waived, amended or supplemented, and (ii) in respect of any Tranche of Notes issued inside France, Condition 11 must be waived in its entirety and replaced by the provisions of the French Code de commerce relating to the Masse. If Condition 11 (as it may be amended or supplemented) applies or if the full provisions of the French Code de commerce apply, insert details of Representative and Alternative Representative and remuneration, if any).*
- [Any applicable currency [Not Applicable/*give details*]
disruption/fallback provisions:]²⁸
33. Other final terms: [Not Applicable/*give details*]
- (*When adding any other final terms consideration should be given as to whether such terms constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.*)

DISTRIBUTION

34. [(i) If syndicated, names and addresses of Managers and underwriting commitments: [Not Applicable/*give names and addresses of Managers and underwriting commitments*]
- [(ii) Date of [Subscription] Agreement: [Insert]
- [(iii) Stabilising Manager(s) (if any): [Not Applicable/*give name*]

²⁸ In respect of RMB Notes, consider the insertion of Payment in US Dollar Equivalent provisions.

35. If non-syndicated, name and address of Dealer: [Not Applicable/give name and address]
36. Additional selling restrictions: [Not Applicable/give details]
37. Total commission and concession: [●] per cent. of the Aggregate Nominal Amount
38. U.S. Selling Restrictions: Category 2 restrictions apply to the Notes
39. Non exempt Offer: [Not Applicable] [An offer of the Notes may be made by the Managers [and [specify namesⁱ of other financial intermediaries/placers making non-exempt offers, to the extent known OR consider a generic description of other parties involved in non-exempt offers (e.g. "other parties authorised by the Managers") or (if relevant) note that other parties may make non-exempt offers in the Public Offer Jurisdictions during the Offer Period, if not known]] (together with the Managers, the **Financial Intermediaries**) other than pursuant to Article 3(2) of the Prospectus Directive in [specify relevant Member State(s) - which must be jurisdictions where the Base Prospectus and any supplements have been passported (in addition to the jurisdiction where approved and published)] (**Public Offer Jurisdictions**) during the period from [specify date] until [specify date or a formula such as "the Issue Date" or "the date which falls [●] Business Days thereafter"] (**Offer Period**). See further Paragraph 10 of Part B below.

[PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue [and] [public offer in the Public Offer Jurisdictions] [and] [admission to trading on [specify relevant regulated market] of the Notes described herein pursuant to the €5,000,000,000 Euro Medium Term Note Programme of the Issuer.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By:

Duly authorised

PART B – OTHER INFORMATION

1. Risk Factors

[Insert any risk factors that are material to the Notes being offered and/or listed and admitted to trading in order to assess the market risk associated with these Notes and that may affect the Issuer's ability to fulfil its obligations under the Notes which are not covered under "Risk Factors" in the Base Prospectus. If any such additional risk factors need to be included consideration should be given as to whether they constitute a "significant new factor" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]

2. Listing and Admission to Trading

- [(i) Listing: [Euronext Paris/other (specify)/None]
- [(ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on [●] with effect from [●].]
[Not Applicable.]

(Where documenting a fungible issue need to indicate that original securities are already admitted to trading.)

- [(iii) Estimate of total expenses related to admission to trading: [●]
- [(iv) Additional publication of Base Prospectus and Final Terms: [●] *(See Condition 15 which provides that the Base Prospectus and Final Terms of Notes admitted to trading on any regulated market of the EEA will be published on the website of the Autorité des marchés financiers. Please provide for additional methods of publication in respect of an admission to trading on a regulated market other than Euronext Paris)*

3. Ratings

Ratings: [Not Applicable] [The Notes to be issued have been rated:

[Moody's: [●]]

[S&P: [●]]

[[Other]: [●]]

[[Each of [●], [●] and] [●] is established in the European Union and is registered under Regulation (EC) No 1060/2009 (as amended). As such, [each of [●], [●] and] [●] is included in the list of credit rating agencies published by the European Securities Markets Authority on its website in accordance with such Regulation.]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]

4. [Notification]

The *Autorité des marchés financiers* [has been requested to provide/has provided - *include first alternative for an issue which is contemporaneous with the update of the Programme and the second alternative for subsequent issues*] the [include names of competent authorities of host Member States] with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.]

5. [Interests of Natural and Legal Persons Involved in the [Issue/Offer]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"Save as discussed in ["Subscription and Sale"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."

6. Reasons for the Offer, Estimated Net Proceeds and Total Expenses

[(i) Reasons for the offer [●]

(See ["Use of Proceeds"] wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)

[(ii) Estimated net proceeds: [●]

(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

[(iii) Estimated total expenses: [●]. [Include breakdown of expenses.]

(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)

7. [Fixed Rate Notes only – Yield]

Indication of yield: [●].

[Calculated as [include details of method of calculation in summary form] on the Issue Date.]

[(Only applicable for offer to the public in France)
[yield gap of [●] per cent. in relation to tax free French government bonds (*obligations assimilables au Trésor* (OAT)) of an equivalent duration.].]

[The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

8. **[Floating Rate Notes only - Historic Interest Rates**

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters].]

9. **[Index-Linked or other Variable-Linked Notes only – Performance of Index/Formula/Other Variable, Explanation of Effect on Value of Investment and Associated Risks and Other Information Concerning the Underlying**

Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident. [Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information.]²⁹

10. **[Dual Currency Notes only – Performance of Rate[s] of Exchange and Explanation of Effect on Value of Investment**

Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]

11. **[Derivatives Only - Other Information concerning the Securities to be [offered]/[admitted to Trading]]³⁰**

Name of the issuer of the underlying security: [●]

ISIN Code: [●]

Underlying interest rate: [●]

Relevant weightings of each underlying in the basket: [●]

Adjustment rules with relation to events concerning the underlying: [●]

Source of information relating to the [Index]/[Indices]: [●]

²⁹ Required for derivative securities to which Annex XII to the Prospectus Directive Regulation applies.
³⁰ Required for derivative securities.

Place where information relating to the [●]
[Index]/[Indices] can be obtained:

Name and address of entities which have a firm [●]
commitment to act as intermediaries in
secondary trading:

Details of any market disruption/settlement [●]
disruption events affecting the underlying:

Exercise price/find reference price of underlying: [●]

Details of how the value of investment is [●]
affected by the value of the underlying
instrument(s):

Details of settlement procedure of derivative [●]
securities:

Details of how any return on derivative securities [●]
takes place, payment or delivery date, and
manner of calculation:

Details of any post-issuance information to be [●]
provided (only in case of derivatives
instruments). Details of any post-issuance
information relating to the underlying to be
provided and where such information can be
obtained:

12. **[Placing and Underwriting]**³¹

Name and address of the co-ordinator(s) of the [●]
global offer and of single parts of the offer:

Name and address of any paying agents and [●]
depository agents in each country (in addition to
the Principal Paying Agent):

Names and addresses of entities agreeing to [●]
underwrite the issue on a firm commitment
basis, and entities agreeing to place the issue
without a firm commitment or under "best
efforts" arrangements:³²

When the underwriting agreement has been or [●]
will be reached:

13. **Operational Information**

ISIN Code: FR[●]

³¹

To the extent known to the Issuer, of the places in the various countries where the offer takes place.
³² Where not all of the issue is underwritten, a statement of the portion not covered.

Common Code: [●]

Any clearing system(s) other than Euroclear France, Euroclear Bank S.A./N.V. and Clearstream Banking Société Anonyme and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]

Delivery: Delivery [against/free of] payment

Names and addresses of additional Paying Agent(s) (if any): [●]

14. TERMS AND CONDITIONS OF THE OFFER

Offer Price: [Issue Price/Not applicable/specify]

[Conditions to which the offer is subject:] [Not applicable/give details]

[Description of the application process:] [Not applicable/give details]

[Details of the minimum and/or maximum amount of application:] [Not applicable/give details]

[Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:] [Not applicable/give details]

[Details of the method and time limits for paying up and delivering the Notes:] [Not applicable/give details]

[Manner in and date on which results of the offer are to be made public:] [Not applicable/give details]

[Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:] [Not applicable/give details]

[Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries:] [Not applicable/give details]

[Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:] [Not applicable/give details]

[Amount of any expenses and taxes specifically charged to the subscriber or purchaser:] [Not applicable/give details]

[Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.] [None/give details]

GENERAL INFORMATION

(1) *Corporate authorisations*

Any issue of Notes under the Programme, to the extent that such Notes constitute *obligations* under French law, requires the prior authorisation of the *Conseil de Surveillance* (Supervisory Board) and a decision of the *Directoire* (Management Board) of the Issuer which may delegate its powers within one year from the date of such authorisation to its *Président* (Chairman) or, with the approval of the latter, to any other member of the *Directoire* (Management Board). In this regard, (i) by a resolution adopted on 14 February 2012, the *Conseil de Surveillance* (Supervisory Board) of the Issuer has authorised the *Directoire* (Management Board) to issue *obligations* up to a maximum aggregate amount of €1,000,000,000 for a period ending on 31 December 2012 and (ii) by a resolution adopted on 2 April 2012, the *Directoire* (Management Board) of the Issuer has delegated to its *Président* (Chairman) and, with the approval of the latter, to Mr Jean-Baptiste Chasseloup de Chatillon, the powers to proceed with the issue of *obligations* up to a maximum amount of €1,000,000,000 for a period ending on 31 December 2012.

Any additional issues of Notes constituting *obligations* will require a new authorisation of the *Conseil de Surveillance* (Supervisory Board) and of the *Directoire* (Management Board) of the Issuer.

(2) *No significant change in the financial or trading position*

Save as disclosed in this Base Prospectus, there has been no significant change in the financial or trading position of the Issuer or the Group since the end of the last financial period ending on 31 December 2011, for which audited financial information has been published.

(3) *No material adverse change in the prospects*

Save as disclosed in this Base Prospectus, there has been no material adverse change in the prospects of the Issuer since 31 December 2011.

(4) *Legal and arbitration proceedings*

Save as disclosed in this Base Prospectus, there has been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the period of 12 months immediately preceding the date of this Base Prospectus which may have, or have had in the recent past, a significant effect on the Issuer's or the Group's financial position or profitability.

(5) *Material contracts*

There are no material contracts that are not entered into in the ordinary course of the Issuer's business which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations.

(6) *Conflicts of interest*

As far as the Issuer is aware, the members of Issuer's management and supervisory bodies have no conflict of interest between their duties to the Issuer and their private interests and/or other duties.

(7) *Derivative securities*

In respect of derivatives securities as requested by item 7.5 of Annex II of Commission Regulation no. 809/2004, the Final Terms will indicate whether or not the Issuer intends to provide post-issuance information concerning the underlying. If the Issuer intends to report such information, the Final Terms will specify what information will be reported and where such information can be obtained.

(8) *Clearing*

The Notes have been accepted for clearance through Euroclear and Clearstream. The appropriate common code and the International Securities Identification number, in relation to the Notes of each Series will be specified in the Final Terms relating thereto. The relevant Final Terms shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

The address of Euroclear is Euroclear Bank SA/NV, 1 boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 avenue JF Kennedy, L-1855 Luxembourg.

Dematerialised Notes will be inscribed in the books of Euroclear France (acting as central depository). The address of Euroclear France is 115, rue Réaumur, 75081 Paris Cedex 02, France.

(9) *Statutory Auditors*

The statutory auditors of the Issuer are Ernst & Young et Autres, 1/2 Place des Saisons, 92400 Courbevoie, Paris La Défense 1, and Mazars, Tour Exaltis 61 rue Henri Regnault, 92400 Courbevoie (both entities duly authorised as *Commissaires aux Comptes* and are members of the *compagnie régionale des commissaires aux comptes de Versailles*) and they have audited and rendered audit reports on the Issuer's consolidated and statutory financial statements for the fiscal year ended 31 December 2011.

The statutory auditors of the Issuer as at and for the fiscal year ended 31 December 2010 were PricewaterhouseCoopers Audit, 63 rue de Villiers, 92200 Neuilly sur Seine, and Mazars, Tour Exaltis 61 rue Henri Regnault, 92400 Courbevoie (both entities duly authorised as *Commissaires aux Comptes* and are members of the *compagnie régionale des commissaires aux comptes de Versailles*) and they have audited and rendered audit reports on the Issuer's consolidated and statutory financial statements for the fiscal year ended 31 December 2010.

(10) *Temporary Global Certificates*

Each Temporary Global Certificate will bear the following legend: "THIS TEMPORARY GLOBAL NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**). NEITHER THIS GLOBAL NOTE NOR ANY PORTION HEREOF MAY BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO ANY U.S. PERSON UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE."

(11) *Materialised Bearer Notes*

Each Materialised Bearer Note, Receipt, Coupon and Talon issued in compliance with the D Rules will bear the following legend: "ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(J) AND 1287(A) OF THE INTERNAL REVENUE CODE."

PERSONS RESPONSIBLE FOR THE INFORMATION GIVEN IN THE BASE PROSPECTUS

The Issuer accepts responsibility for the information contained in this Base Prospectus. The Issuer, having taken all reasonable care to ensure that such is the case, confirms that the information contained in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

The consolidated financial statements for the year ended 31 December 2010 were audited by the statutory auditors who issued an audit report which is reproduced on pages 202 and 203 of the 2010 Registration Document. This report contains an observation.

Paris, 16 May 2012
Peugeot S.A.
75, avenue de la Grande Armée
75016 Paris
France

Duly represented by: Mr Jean-Baptiste Chasseloup de Chatillon
Membre du Directoire



Autorité des marchés financiers

In accordance with Articles L. 412-1 and L. 621-8 of the French *Code monétaire et financier* and with the *Règlement Général* of the *Autorité des marchés financiers* (AMF), in particular Articles 212-31 to 212-33, the AMF has granted to this Base Prospectus the visa no. 12-213 on 16 May 2012. This document may only be used for the purposes of a financial transaction if completed by Final Terms. It was prepared by the Issuer and its signatories assume responsibility for it. In accordance with Article L. 621-8-1-I of the French *Code monétaire et financier*, the visa was granted following an examination by the AMF of "whether the document is complete and comprehensible, and whether the information it contains is coherent". It does not imply that the AMF has verified the accounting and financial data set out in it. This visa has been granted subject to the publication of Final Terms in accordance with Article 212-32 of the AMF's *Règlement Général*, setting out the terms of the securities being issued.

Issuer

Peugeot SA

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75016 Paris
France

Arranger

BNP Paribas

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London NW1 6AA
United Kingdom

Dealers

BNP Paribas

10 Harewood Avenue
London NW1 6AA
United Kingdom

Deutsche Bank AG, London Branch

Winchester House, 1 Great Winchester Street
London EC2N 2DB
United Kingdom

Crédit Agricole Corporate and Investment Bank

9, quai du Président Paul Doumer
92920 Paris La Défense Cedex
France

HSBC Bank plc

8 Canada Square
London E14 5HQ
United Kingdom

Natixis

30, avenue Pierre Mendès France
75013 Paris
France

The Royal Bank of Scotland plc

135 Bishopsgate
London EC2M 3UR
United Kingdom

Société Générale

29, boulevard Haussmann
75009 Paris
France

**Fiscal Agent, Principal Paying Agent, Redenomination Agent,
Consolidation Agent and Calculation Agent**

BNP Paribas Securities Services

Les Grands Moulins de Pantin
9, rue du Débarcadère
93500 Pantin
France

Statutory Auditors

Ernst & Young et Autres

1/2, Place des Saisons
92400 Courbevoie
Paris La Défense 1
France

Mazars

Tour Exaltis
61 rue Henri Régault
92075 La Défense Cedex
France

Legal Advisers

To the Issuer

As to French law
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75008 Paris
France

To the Dealers

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