Final Terms dated 16 September 2013

PSA PEUGEOT CITROËN

PEUGEOT S.A.

(the **Issuer**)

Issue of EUR 600,000,000 6.50 per cent. Notes due 18 January 2019

Under the

Euro 5,000,000,000

Euro Medium Term Note Programme

for the issue of Notes

guaranteed by GIE PSA Trésorerie

SERIES NO: 7

TRANCHE NO: 1

BANCO BILBAO VIZCAYA ARGENTARIA, S.A
BNP PARIBAS
COMMERZBANK
CRÉDIT AGRICOLE CIB
HSBC
LLOYDS BANK
NATIXIS
BANCO SANTANDER, S.A.
SOCIETE GENERALE CORPORATE & INVESTMENT BANKING

(as **Joint Lead Managers**)

Any person making or intending to make an offer of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Joint Lead Manager 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 Joint Lead Manager 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 Directive 2010/73/EU, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State.

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 28 June 2013 which received visa no. 13-315 from the *Autorité des marchés financiers* (the **AMF**) on 28 June 2013 and the supplement to it dated 5 August 2013 which received visa no. 13-447 from the AMF on 5 August 2013 which together constitute a base prospectus for the purposes of 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 the Base Prospectus as so supplemented. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus as so supplemented. A summary of the issue of the Notes is annexed to these Final Terms. The Base Prospectus and the supplement to it 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.

1.	Issuer:		Peugeot S.A.
2.	Guarantor:		GIE PSA Trésorerie, pursuant to the Guarantee (*cautionnement solidaire*) dated 16 September 2013
3.	(i)	Series Number:	7
	(ii)	Tranche Number:	1
4.	Specified Currency or Currencies:		Euro ("€")
5.	Aggregate Nominal Amount:		
	(i)	Series:	€600,000,000
	(ii)	Tranche:	€600,000,000
6.	Issue Price:		99.366 per cent. of the Aggregate Nominal Amount
7.	Specified Denominations:		€1,000
8.	(i)	Issue Date:	18 September 2013

	(ii)	Interest Commencement Date:	Issue Date
9.	Maturity Date:		18 January 2019
10.	Interest Basis:		6.50 per cent. Fixed Rate (further particulars specified below)
11.	Redemption/Payment Basis:		Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100.00 per cent. of their nominal amount.
12.	Change of Interest or Redemption/Payment Basis:		Not Applicable
13.	Put/Call Options:		Not Applicable Put Option in case of Change of Control applicable only (further particulars specified below)
14.	(i)	Status of the Notes:	Senior Unsecured
	(ii)	Status of the Guarantee:	Senior Unsecured
	(ii)	Date of corporate authorisations for issuance of Notes and Guarantee obtained:	Resolution of the *Conseil de Surveillance* (Supervisory Body) dated 30 July 2013, resolution of the *Directoire* (Management Board) dated 4 September 2013, decision of Jean-Baptiste Chasseloup de Chatillon, member of the *Directoire* dated 10 September 2013 and decisions of the extraordinary meeting of the members of the GIE dated 10 June 2013.

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	Fixed Rate Note Provisions		Applicable
	(i)	Rate of Interest:	6.50 per cent. per annum payable in arrear on each Interest Payment Date.
	(ii)	Interest Payment Date(s):	18 January in each year commencing on 18 January 2015 up to and including the Maturity Date (not adjusted). There will be a long first coupon in respect of the first interest period from, and including, the Interest Commencement Date to, but excluding, the First Interest Payment Date falling on 18 January 2015 (the **First Interest Period**).
	(iii)	Fixed Coupon Amounts:	€65.00 per €1,000 Specified Denomination, subject to the provisions of subparagraph "Broken Amount(s)" below.

(iv)	Broken Amount(s):	€86.73 per €1,000 Specified Denomination payable on first Interest Payment Date in respect of the First Interest Period.
(v)	Day Count Fraction:	Actual/Actual (ICMA)
(vi)	Determination Dates:	18 January in each year
16.	Floating Rate Note Provisions	Not Applicable
17.	Zero Coupon Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

18.	Call Option	Not Applicable
19.	Put Option	Not Applicable
20.	Change of Control Put Option	Applicable
21.	Final Redemption Amount of each Note	€1,000 per Note of €1,000 Specified Denomination
22.	Early Redemption Amount	
(i)	Early Redemption Amount(s) of each Note payable on redemption for taxation reasons (Condition 7(f)), for illegality (Condition 7(i)) or on event of default (Condition 10):	€1,000 per Note €1,000 Specified Denomination
(ii)	Redemption for taxation reasons permitted on days others than Interest Payment Dates (Condition 7(f)):	Yes
(iii)	Unmatured Coupons to become void upon early redemption (Materialised Bearer Notes only) (Condition 8(f)):	Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

23.	Form of Notes:	Dematerialised Notes
(i)	Form of Dematerialised Notes:	bearer dematerialised form (*au porteur*)
(ii)	Temporary Global Certificate:	Not Applicable
(iii)	Applicable TEFRA exemption:	Not Applicable
24.	Financial Centre(s) (Condition 8(h)):	Not Applicable
25.	Talons for future Coupons to be attached	

	to Definitive Notes (and dates on which such Talons mature):	No
26.	Redenomination, renominalisation and reconventioning provisions:	Not Applicable
27.	Purchase in accordance with Article L.213-1 A and D.213-1 A of the French *Code monétaire et financier*:	Applicable
28.	Consolidation provisions:	Not Applicable
29.	Masse (Condition 12)	Contractual Masse shall apply Name and address of the Representative: Alice Bonardi, 1-3 rue Taitbout, 75009 Paris Name and address of the alternate Representative: Sophie Borniche Boittet, 1-3 rue Taitbout, 75009 Paris The Representative will receive no remuneration.
30.	Any applicable currency disruption/fallback provisions:	Not Applicable

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By: ....

Duly authorised

Rémy BAYLE Laurence BOVE

Signed on behalf of the Guarantor:

By: ....

Duly authorised

Rémy BAYLE Laurence BOVE

PART B – OTHER INFORMATION

1. Listing and Admission to Trading

(i)	Listing:	Euronext Paris
(ii)	Admission to trading:	Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on Euronext Paris with effect from 18 September 2013
(iii)	Estimate of total expenses related to admission to trading:	€11,425

2. Ratings

Ratings:	The Notes to be issued are expected to be rated: Moody's: B1 (outlook negative) S&P: BB- (outlook negative) Each of Moody's Investors Service Ltd. (**Moody's**) and Standard & Poor's (**S&P**) is established in the European Union and is registered under Regulation (EC) No 1060/2009 (as amended by Regulation (EU) No 513/2011 (the **CRA Regulation**)). As such, each of Moody's and S&P is included in the list of credit rating agencies published by the European Securities Markets Authority on its website in accordance with the CRA Regulation.

3. Interests of Natural and Legal Persons Involved in the Issue

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.

4. Reasons for the Offer and Estimated Net Proceeds

(i)	Reasons for the offer:	See "Use of Proceeds" wording in Base Prospectus
(ii)	Estimated net proceeds:	€591,996,000
(iii)	Estimated total expenses:	€11,425

5. Fixed Rate Notes only – Yield

Indication of yield:	6.625 per cent. per annum.

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

6. Floating Rate Notes only - Historic Interest Rates

Not Applicable

7. Operational Information

ISIN Code:	FR0011567940
Common Code:	097249504
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
Delivery:	Delivery against payment
Names and addresses of additional Paying Agent(s) (if any):	Not Applicable

8. Distribution

Method of distribution:	Syndicated
If syndicated, names and addresses of Managers and underwriting commitment:	**Joint Lead Managers**

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.
44th Floor, One Canada Square
E14 5AA London
United Kingdom

Underwriting commitment: €50,000,000

BANCO SANTANDER, S.A.
Ciudad Grupo Santander
Avenida de Cantabria s/n
Edificio Encinar
28660 Boadilla del Monte
Madrid
Spain

Underwriting commitment: €50,000,000

BNP PARIBAS
10 Harewood Avenue
London NW1 6AA
United Kingdom

Underwriting commitment: €80,000,000

COMMERZBANK AKTIENGESELLSCHAFT
Kaiserstraße 16 (Kaiserplatz)
60311 Frankfurt am Main
Federal Republic of Germany

Underwriting commitment: €50,000,000

CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK
9, quai du Président Paul Doumer
92920 Paris La Défense
France

Underwriting commitment: €80,000,000

HSBC BANK PLC
8 Canada Square
London E14 5HQ
United Kingdom

Underwriting commitment: €80,000,000

LLOYDS TSB BANK PLC
10 Gresham Street
London EC2V 7AE
United Kingdom

Underwriting commitment: €50,000,000

NATIXIS
47 quai d'Austerlitz
75013 Paris
France

Underwriting commitment: €80,000,000

SOCIETE GENERALE
Tour Société Générale
17 cours Valmy
92987 Paris la Défense
France

Underwriting commitment: €80,000,000

Date of Subscription Agreement:	16 September 2013
Indication of the overall amount of the underwriting commission and of the placing commission:	0.70 per cent. of the Aggregate Nominal Amount

	Stabilising Manager(s) (if any):	BNP PARIBAS
	If non-syndicated, name and address of Dealer:	Not Applicable
	U.S. Selling Restrictions:	Category 2 restrictions apply to the Notes pursuant to Regulation S under the U.S. Securities Act of 1933, as amended
	Non exempt Offer:	Not Applicable
9.	**Terms and Conditions of the Offer**	Not Applicable

ANNEXE - ISSUE SPECIFIC SUMMARY

Summaries are made up of disclosure requirements known as 'Elements' the communication of which is required by Annex XXII of the Regulation EC No 809/2004 of 29 April 2004 as amended by Commission Delegated Regulation (EU) n°486/2012 of 30 March 2012 and Commission Delegated Regulation (EU) n°862/2016 of 4 June 2012. These Elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities, Peugeot S.A. (the **Issuer**) and GIE PSA Trésorerie (the **Guarantor**). Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities, Issuer and the Guarantor, it is possible that no relevant information can be given regarding such Element. In this case a short description of the Element is included in the summary and marked as 'Not applicable'.

This summary is provided for purposes of the issue by the Issuer of Notes of a denomination of less than €100,000 (or its equivalent in any other currency) which are offered to the public or admitted to trading on a Regulated Market of the European Economic Area (the **EEA**). The issue specific summary relating to this type of Notes will be annexed to the relevant final terms (the **Final Terms**) and will comprise the information below.

Section A – Introduction and warnings		
A.1	**General disclaimer regarding the summary**	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 by any investor of the Base Prospectus as a whole, including any documents incorporated by reference and any supplement from time to time. Where a claim relating to information contained in this Base Prospectus is brought before a court, the plaintiff may, under the national legislation of the Member State of the EEA where the claim is brought, be required to bear the costs of translating this Base Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary 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.
A.2	**Information regarding consent by the Issuer and the Guarantor to the use of the Prospectus**	Not applicable. There is no Non-exempt Offer.

Section B – Issuer and Guarantor		
B.1	**The legal and commercial name of the Issuer and**	Peugeot S.A. (**Peugeot**) as Issuer and GIE PSA Trésorerie (**GIE PSA**) as Guarantor.

	Guarantor	
B.2	**The domicile and legal form of the Issuer and the Guarantor, the legislation under which they operate and their country of incorporation**	Peugeot is a *société anonyme* with a management and supervisory board incorporated in France and governed by French law, having its registered office located 75, avenue de la Grande Armée, 75016 Paris, France and registered with the *Registre du commerce et des sociétés* of Paris under number 552 100 554. GIE PSA is a *groupement d'intérêt économique* incorporated in France and governed by French law, having its registered office located 75, avenue de la Grande Armée, 75016 Paris, France and registered with the *Registre du commerce et des sociétés* of Paris under number 377 791 967.
B.4b	**A description of any known trends affecting the Issuer and the Guarantor and the activities in which they operate**	**Issuer:** The Issuer has identified the following trends: In a challenging European environment, the Group implemented a cash management plan for €1 billion and proposed asset disposals totalling €1.5 billion whose objectives were met or exceeded. To deal with the continued degradation of European markets, the Group has decided to put in place a "Rebound 2015" Plan for the years 2012-2015. To deal with the extended volume decline in Europe, a project to reorganise manufacturing operations and the redeployment of the workforce was presented on 12 July 2012, in order to restore the Group's competitiveness and ensure its future. The first quarter of 2013 was shaped by a persistently tough environment, with sharp downward pressure on European volumes, difficult markets in France and Germany, and declining demand in Southern Europe, which unfavourably impacted the country mix. Pricing pressure, which continued unabated from fourth-quarter 2012, was exacerbated by an unfavourable distribution channel mix, with a decline in retail sales and an increase in fleet business. For the full year, the Group expects automobile demand to contract by around 5% in the Europe 30 region, to grow by around 8% in China, 2% and in Latin America and to remain stable in Russia. In this challenging environment, Peugeot is continuing to deploy its Rebound 2015[1] plan designed to restore the profitability of Automotive Division in Europe. The Group confirms its objective of halving its operational cash consumption[2] in 2013. In the event that the 2014 European market environment is worse than previously expected, operational initiatives to offset such potential deterioration are under review to maintain the Company's objective of restoring breakeven in Group operational free cash flow by end 2014.

[1] 2012-2015 assumptions: European demand and prices stable at 2012 levels, European market share maintained at 13%, supported by new model introductions.

[2] Operating free cash flow, excluding non-recurring items and restructuring costs, stood at a negative €3 billion in 2012, of which a negative €2.5 billion for the Automotive Division and a negative €0.5 billion for Faurecia.

		Guarantor: There are no known trends affecting the Guarantor and the industries in which it operates other than those affecting the Issuer.
B.5	**Description of the Issuer's Group and the Issuer's and the Guarantor's position within the Group**	**Issuer**: The Group is a European manufacturer with international scope, which brings together two 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%[3] stake, which is a car part manufacturer operating worldwide; • GEFCO, a 25%[4] owned subsidiary of the Group, which is a major logistics company; • Banque PSA Finance, a wholly-owned subsidiary[5] of the Group, which provides financing worldwide to end customers as well as to Peugeot and Citroën's distribution networks; and • Peugeot Motocycles (PMTC), a wholly-owned subsidiary[6] of the Group, which sells a range of motor scooters, small motorcycles and mopeds. The Issuer is the Group's holding company. **Guarantor:** The activity of GIE PSA is to facilitate and develop the Group companies' financial operations by pooling their cash balances and providing them with treasury services. The current members of the GIE PSA are the Issuer, Peugeot Citroën Automobiles S.A., Automobiles Peugeot S.A. and Automobiles Citroën S.A, all members of the Group (the **GIE Members**).
B.9	**Profit forecast or estimate**	**Issuer**: Not applicable. There is no profit forecast or estimate. **Guarantor**: Not applicable. There is no profit forecast or estimate.

[3] As at 31 December 2012
[4] As at 31 December 2012
[5] As at 31 December 2012
[6] As at 31 December 2012

B.10 | **Qualifications in the auditors' report**

Issuer:

The consolidated financial statements of the Issuer for the year ended 31 December 2012 were audited by the statutory auditors who issued an audit report which is reproduced on pages 274 and 275 of the 2012 Registration Document. This report draws attention to the four following notes to the financial statements:

- Note 1.4 on significant estimates and assumptions which specifies the accounts for which estimates and assumptions used are particularly sensitive;
- Note 8.1 on the impairment test on the assets of the automotive segment which leads to the recognition of an impairment for an amount of €3,009M;
- Note 12.1.C on the impairment test on deferred tax assets which leads to the recognition of an impairment for a net amount of €879M;
- Note 37 which sets out the Group's and Banque PSA Finance's liquidity position.

Guarantor:

The statutory annual financial statements of the Guarantor for the year ended 31 December 2012 were audited by the statutory auditors who issued an audit report which is incorporated by reference in the Base Prospectus. This report does not contain any observation.

B.12 | **Selected historical key financial information**

Issuer:

Save as disclosed in Element B.4b of this Summary, there has been no material adverse change in the prospects of the Issuer since 31 December 2012.

Save as disclosed in Element B.4b of this Summary, there has been no significant change in the financial or trading position of the Issuer or the Group since 31 December 2012.

CONSOLIDATED STATEMENTS OF INCOME

	2012				2011			
(in million euros)	Manufacturing and sales companies	Finance companies	Eliminations	Total	Manufacturing and sales companies	Finance companies	Eliminations	Total
Revenue	53,860	1,910	(324)	55, 446	56,926	1,902	(319)	58, 509
Recurring operating income (loss)	(967)	391	-	(576)	561	532	-	1,093
Non-recurring operating income (expense)	(4,121)	(1)	-	(4, 122)	(417)	-	-	(417)
Operating income (loss)	(5,088)	390	-	(4, 698)	144	532	-	676
Consolidated profit (loss) for the period	(5,218)	293	-	(4, 925)	430	354	-	784
Attributable to equity holders of the parent	*(5,296)*	*281*	*5*	*(5, 010)*	*238*	*345*	*5*	*588*
Attributable to minority interests	*78*	*12*	*(5)*	*85*	*192*	*9*	*(5)*	*196*
Basic earnings (loss) per €1 par value share *(in euros)*				(15.60)				2.64

CONSOLIDATED BALANCE SHEETS

ASSETS	31 December 2012				31 December 2011			
(in million euros)	Manufacturing and sales companies	Finance companies	Eliminations	Total	Manufacturing and sales companies	Finance companies	Eliminations	Total
Total non-current assets	21,172	425	-	21,597	25,286	367	(25)	25,628
Total current assets	17,200	26,699	(656)	43,243	16,550	27,431	(618)	43,363
Total assets held for sale	9	0	0	9	0	0	0	0
TOTAL ASSETS	38,381	27,124	(656)	64,849	41,836	27,798	(643)	68,991

LIABILITIES AND SHAREHOLDERS' EQUITY	31 December 2012				31 December 2011			
(in million euros)	Manufacturing and sales companies	Finance companies	Eliminations	Total	Manufacturing and sales companies	Finance companies	Eliminations	Total
Total equity				10,557				14,494
Total non-current liabilities	12,228	342	-	12,570	12,184	369	-	12,553
Total current liabilities	18,971	23,361	(656)	41,676	18,849	23,738	(643)	41,944
Total liabilities held for sale	46	0	0	46	0	0	0	0
TOTAL EQUITY AND LIABILITIES				64,849				68,991

CONSOLIDATED STATEMENTS OF CASH FLOWS

	2012				2011			
(in million euros)	Manufacturing and sales companies	Finance companies	Eliminations	Total	Manufacturing and sales companies	Finance companies	Eliminations	Total
Consolidated profit (loss) from continuing operations	(6,021)	293	-	(5,728)	280	354	-	634
Working capital provided by operations	1,033	290	-	1,323	2,395	339	-	2,734
Net cash from (used in) operating activities	431	1,050	(64)	1,417	1,717	17	(179)	1,555
Net cash used in investing activities	(2,450)	(1)	3	(2,448)	(3,635)	(19)	-	(3,654)
Net cash from/(used in) financing activities	2,387	(532)	4	1,859	(2,663)	(158)	78	(2,743)
Effect of changes in exchange rates	(6)	(2)	2	(6)	5	(2)	2	5
Net increase (decrease) in cash and cash equivalents	362	515	(55)	822	(4,576)	(162)	(99)	(4,837)
Net cash and cash equivalents at beginning of year	4,692	1,154	(223)	5,623	9,253	1,316	(127)	10,442
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD	5,399	1,669	(279)	6,789	4,692	1,154	(223)	5,623

Guarantor:

There has been no material adverse change in the prospects of the Guarantor since 31 December 2012 other than those relating to the Issuer and the loan made to it by the Issuer referred to below and the Guarantee granted on certain existing bonds issued by the Issuer as discussed in Element B.13 below.

There has been no significant change in the financial or trading position of the Guarantor since 31 December 2012.

STATEMENTS OF INCOME

(in thousands of euros)

	FISCAL YEAR 2012	FISCAL YEAR 2011
REVENUE	-	-
OPERATING INCOME (lines 4 to 9)	-	-
OPERATING EXPENSES (lines 11 to 24)	**11 469**	**10 684**
NET OPERATING INCOME (lines 10 to 25)	**(11 469)**	**(10 684)**
SHARE IN INCOME FROM JOINT VENTURES		
FINANCIAL INCOME (lines 28 to 33)	**321 912**	**446 375**
FINANCIAL EXPENSES (lines 35 to 38)		
NET FINANCIAL INCOME (lines 34 minus 39)	**11 099**	**8 580**
NET INCOME BEFORE TAX:	**(370)**	**(2 104)**
NET INCOME FOR THE FISCAL YEAR:	(370)	(2 104)

BALANCE SHEET *

(in thousands of euros)

ASSETS	FISCAL YEAR 2012 Net amounts	FISCAL YEAR 2011 Net amounts
Total current assets	9 752 802	11 828 534
Prepaid expenses (Notes 5, 6 and 7)	23 225	26 599
Bond redemption premiums (Note 6)	713	747
TOTAL ASSETS:	***9 776 740***	***11 855 880***

EQUITY AND LIABILITIES	FISCAL YEAR 2012	FISCAL YEAR 2011
EQUITY:	**(355)**	**(2 089)**
Total liabilities	9 477 947	11 854 207
Deferred income (Note 7)	299 149	3 762
TOTAL EQUITY AND LIABILITIES:	**9 776 740**	**11 855 880**

*** Note to the Balance Sheet**: On 6 March 2013, the Issuer granted a loan to GIE PSA with a maturity of 5 years for an amount of €1,000,000,000 using the proceeds of the Peugeot 7.375 per cent. notes issue dated 6 March 2013

STATEMENT OF CASH FLOWS

(In thousands of euros)

	FISCAL YEAR 2012	FISCAL YEAR 2011
OPERATING CASH FLOW	332 903	84 267
FINANCIAL CASH FLOW	44 190	(2 332 601)
TOTAL CASH FLOW	377 093	(2 416 868)
Cash flow at the start of the fiscal year (1)	5 043 375	7 460 243
CASH FLOW AT 31 DECEMBER (1)	**5 420 468**	**5 043 375**

(1) Cash flow at 31 December is made up of:		
Debtor current accounts	4 800 848	7 724 611
Creditor current accounts	(3 586 772)	(6 345 571)
Cash investments (excl. debtor current accounts)	4 926 359	3 993 464
Banks - debit balance	16 962 206	10 989
Banks - credit balance	(17 682 173)	(340 118)
	5 420 468	5 043 375

B.13 **Recent material events relating to the Issuer's and the Guarantor's solvency**

Issuer:

On 11 February 2013 the European Commission temporarily authorised the French State guarantee in respect of the refinancing of Banque PSA Finance for an initial amount of €1,200 million. A guarantee agreement has been signed between the French State, Peugeot and Banque PSA Finance. This will set out the commitments made by the Group to the French State, which will notably involve the following items:

- Peugeot undertook to establish a five-person Monitoring Committee comprising two members of the Supervisory Board of PSA Peugeot Citroën, the member of the Peugeot Managing Board responsible for finance and two representatives of the French State, whose role, amongst others, is to ensure good coordination between the State, Peugeot and Banque PSA Finance in implementing the guarantee;
- Peugeot undertook not to distribute any dividends, reserves, premiums or any other asset, or buy back shares or carry out any form of capital reduction without the prior approval of the French State;
- Peugeot undertook not to award, and to ensure that its subsidiaries do not award, ordinary bonuses, exceptional bonuses, retirement bonuses (notwithstanding payments made under statutory provisions or court orders), stock options and performance shares or any other share equivalent, to members of the PSA Peugeot Citroën Managing Board without the prior agreement of the French State.

On 28 February 2013, the Issuer announced the issue of its €1,000,000,000 7.375 per cent. Notes due March 2018, with an issue date on 6 March 2013.

On 25 March 2013, Banque PSA Finance announced the issue of its €1.2 billion 0.625% Notes due April 2016 guaranteed by the French state, with an issue date on 8 April 2013.

		Guarantor: The Guarantor has granted on 27 June 2013 a guarantee in similar terms to the Guarantee in respect of all the Issuer's existing debt issuances, whether issued under the Programme or not, listed as follows: – €750,000,000 8.375 per cent. bonds due July 2014 issued on 15 July 2009 (FR0010780452); – €500,000,000 5.625 per cent. notes due June 2015 issued on 29 June 2010 (FR0010915116); – €500,000,000 4.00 per cent. notes due October 2013 issued on 28 October 2010 (FR0010957274); – €500,000,000 5.00 per cent. notes due October 2016 issued on 28 October 2010 (FR0010957282); – €350,000,000 4.00 per cent. notes due October 2013 issued on 26 January 2011 (FR0010957274); – €150,000,000 5.00 per cent. notes due October 2016 issued on 26 January 2011 (FR0010957282); – €500,000,000 6.875 per cent. notes due March 2016 issued on 30 September 2011 (FR0011124544); – €600,000,000 5.625 per cent. notes due July 2017 issued on 11 April 2012 (FR0011233451); and – €1,000,000,000 7.375 per cent. notes due March 2018 issued on 6 March 2013 (FR0011439975).
B.14	**Extent to which the Issuer and the Guarantor are dependent upon other entities within the Group**	Please refer to Element B.5 above for the Group and each of the Issuer's and the Guarantor's position within the Group.
B.15	**Principal activities of the Issuer and the Guarantor**	**Issuer:** The principal activities of the Issuer are as follows: – automotive division; – Faurecia: the Group's automotive equipment manufacturer, is strategically focused on a number of carefully targeted automotive component families: automotive seating, interior systems, automotive exteriors and emissions control technologies; – GEFCO: logistics specialists; services span the entire supply chain, including inbound overland transport, outbound automobile transport, sea and air transport, industrial logistics, container management, new vehicle preparation and distribution, and customs and VAT representation; – Banque PSA Finance: is closely associated with the marketing policies of

the Peugeot and Citroën brands. Operating in 23 countries around the world, Banque PSA Finance supports the stocks of Peugeot and Citroën vehicles by financing new vehicle and replacement parts inventory for dealers and offering a comprehensive array of financing and related services to car buyers. It also provides working capital financing and real estate financing for the two carmakers; and

– Peugeot Motorcycles (PMTC) is a leading scooter manufacturer in Europe.

Guarantor:

The principal activity of the Guarantor is to facilitate and develop the GIE Members financial operations by pooling their cash balances and providing them with treasury services.

B.16 **Extent to which the Issuer and the Guarantor are directly or indirectly owned or controlled**

Issuer:

To the best of the Issuer's knowledge, no shareholder other than the ones listed in the table below directly or indirectly own more than 5% of the Issuer's issued capital or voting rights.

As of 31 December 2012, the Peugeot family Group, whose members are presented in the table below, held 25.5% of Peugeot's outstanding shares and 38.1% of exercisable voting rights.

	31 Dec. 2012				31 Dec. 2011				31 Dec. 2010			
Main identified shareholders [1]	Shares outstanding	% interest	% exercisable voting rights	% theoretical voting rights	Shares outstanding	% interest	% exercisable voting rights	% theoretical voting rights	Shares outstanding	% interest	% exercisable voting rights	% theoretical voting rights
Établissements Peugeot Frères [2][4]	22,312,608	6.29	9.93	9.64	19,115,760	8.17	13.11	12.38	19,115,760	8.17	12.47	12.19
FFP [4]	67,372,689	18.99	27.97	27.14	53,363,574	22.80	35.20	33.24	51,792,738	22.13	33.79	33.02
Maillot I	164	0.00	0.00	0.00	100	0.00	0.00	0.00	100	0.00	0.00	0.00
Société Anonyme de Participations (SAPAR) [3][4]	833,317	0.23	0.20	0.20	148,672	0.06	0.05	0.05	-	-	-	-
Peugeot family	90,518,778	25.51	38.11	36.97	72,628,106	31.03	48.36	45.67	70,908,598	30.30	46.26	45.21
Other individual shareholders	59,413,026	16.74	14.34	13.82	16,635,083	7.11	5.92	5.59	18,413,671 [4]	7.87	6.15	6.00
GM Automotive Holdings SL	24,839,429	7.00	5.96	5.78	0	0.00	0.00	0.00	0	0.00	0.00	0.00
Employees	11,452,869	3.23	3.98	3.86	7,638,100	3.26	4.54	4.29	6,538,348	2.79	3.88	3.80
Other French institutions	52,236,259	14.72	12.52	12.15	43,346,051	18.52	14.86	14.03	43,710,387	18.67	15.08	14.73
Other foreign institutions	103,600,004	29.20	24.88	24.14	76,614,552	32.73	26.32	24.86	87,290,771	37.30	28.63	27.97
Treasury stock	12,788,628	3.60	-	2.98	17,187,450	7.34	-	5.56	7,187,450	3.07	-	2.29
TOTAL	354,848,992	100	100	100	234,049,344	100	100	100	234,049,225	100	100	100

(1) Source: Euroclear TPI 31 Decembre 2012 and Thomson Reuters.

(2) Comtoise de Participation and LFPF were combined into EPF as of December 2010.

(3) Société Anonyme de Participation (SAPAR), a holding company with ties to Thierry Peugeot, Chairman of the Supervisory Board, and Marie Hélène Roncoroni, member of the Supervisory Board. Disclosure made by SAPAR on 6 December 2011 in application of Article L. 621-18-2 of the French Monetary and Financial Code.

(4) Shares held in individual securities accounts and others (by difference).

		Guarantor: The Guarantor is wholly owned by the GIE Members (which are all members of the Group). The Issuer owns 297[7] shares of the Guarantor, representing 99 per cent. of the share capital of the Guarantor. Each of Automobiles Peugeot, Automobiles Citroen and Peugeot Citroen Automobiles SA owns one share of the Guarantor[8].
B.17	**Credit ratings assigned to the Issuer and the Guarantor or its debt securities**	Each of the Issuer and the Guarantor has been assigned a rating of BB- (negative outlook) by Standard & Poor's Services (**S&P**) following a downgrade of their former rating BB on 14 February 2013. Following a downgrade by Moody's Investors Services, Ltd (**Moody's**) on 11 April 2013 of their former rating Ba3 to B1, Moody's has on 1st August 2013, changed to « negative » from « stable » the outlook on the B1 ratings of the Issuer and the Guarantor. S&P and Moody's are established in the European Union and registered under Regulation (EC) No. 1060/2009 on credit ratings agencies (the **CRA Regulation**), as amended by Regulation (EU) No. 513/2011, 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 (www.esma.europa.eu/page/List-registered-and-certified-CRAs) as of the date of the Base Prospectus. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. The Notes to be issued are expected to be rated BB- (outlook negative) by S&P and B1 (outlook negative) by Moody's.
B.18	**Description of the nature and scope of the Guarantee**	The Notes will, upon their issue, be guaranteed by GIE PSA Trésorerie (the **Guarantor**) pursuant to a guarantee (*cautionnement solidaire*) to be dated on or before the Issue Date of such Notes (the **Guarantee**). GIE PSA guarantees to the Noteholders, as joint and several guarantor, in the event that, for whatever reason, the Issuer would not make, when due, a payment or repayment of principal, interest, fees, expenses, costs and ancillary charges due under any Note held by such Noteholders (including any additional amount to compensate for any withholding taxes) at or prior to its stated maturity, the payment or repayment of any and all such sums, subject to the terms, conditions and limitations of the Guarantee. In particular, the Guarantee will only apply to any Notes (i) if, and to the extent, the proceeds of the issue of such Notes are, directly or indirectly, on-lent or otherwise made available to the Guarantor and (ii) at any time (including at the time any claim under the Guarantee can be validly made pursuant to its terms), only up to the amount (if any) that remain owing by the Guarantor to the Issuer pursuant to the relevant on-loan or other availability arrangements.
B.19	**Information about the Guarantor**	The information about the Guarantor is set out in Elements B.1, B.2, B.4b, B.5, B.9, B.10, B.12, B.13, B.14, B.15, B.16, B.17 and B.18 of this Section B.

7 As at 31 December 2012
8 As at 31 December 2012

Section C – Securities		
C.1	**Type, class and security identification of the Notes**	The Notes are 6.50 per cent. Notes due 18 January 2019 guaranteed by the Guarantor. Series: 7. Tranche: 1. Form: Dematerialised Notes. Central Depositary: Euroclear France. Common Depository: Not Applicable. ISIN code: FR0011567940. Common code: 097249504.
C.2	**Currencies**	The Notes are denominated in Euro.
C.5	**A description of any restrictions on the free transferability of the Notes**	Save certain restrictions regarding the purchase, offer, sale and delivery of the Notes, or possession or distribution of the Base Prospectus, any other offering material or any Final Terms, there is no restriction on the free transferability of the Notes.
C.8	**Description of rights attached to the Notes**	**Issue price** 99.366 per cent. of the Aggregate Nominal Amount. **Specified denomination** €1,000. **Status of the Notes** The Notes 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** So long as any of the Notes remain outstanding, the Issuer will not create or permit to subsist and will procure that none of the Guarantor nor any of its Principal Subsidiaries will create or permit to subsist any mortgage, charge, pledge or other security interest upon any of its assets or revenues, present or

future, to secure any Relevant Indebtedness 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 or, as the case may be, the Guarantor's obligation under the Guarantee are equally and rateably secured therewith.

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.

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.

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.

Guarantee and Status of the Guarantee

The Guarantee (*cautionnement solidaire*) is dated 16 September 2013. The Guarantee constitutes a direct, unconditional, unsecured and unsubordinated obligation of the Guarantor and (subject to such exceptions as are from time to time mandatory under French law) ranks and will rank equally and rateably with all other present or future unsecured and unsubordinated obligations of the Guarantor, including guarantees and other similar obligations, all subject to its terms and, in particular, to the limitations set out below.

The obligations and liabilities of the Guarantor under the Guarantee shall be limited, at any time to an amount equal to the aggregate of all amounts directly or indirectly on-lent to the Guarantor from the proceeds of the Notes under intercompany loan agreements granted by the Issuer and outstanding at the date a payment is to be made by the Guarantor under this Guarantee; it being specified that any payment made by the Guarantor under the Guarantee shall reduce *pro tanto* the outstanding amount of the intercompany loans due by the Guarantor under the intercompany loan agreements referred to above and that any repayment of the intercompany loans by the Guarantor shall reduce *pro tanto* the

		amount payable under this Guarantee. **Events of Default** The Notes may become due and payable at their principal amount together with any accrued interest thereon following the occurrence of an event of default in respect of the Notes. The events of default in respect of the Notes include, in particular, an interest payment default under the Notes or a payment default under the Guarantee, a default in the performance of, or compliance with, any other obligation of the Issuer under the Notes or of the Guarantor under the Guarantee, a cross default and certain additional events affecting the Issuer, its Principal Subsidiaries and the Guarantor. **Withholding tax** All payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Notes or the Guarantor in respect of the Guarantee 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 or Coupon or by the Guarantor in respect of the Guarantee 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 or, as the case may be, the Guarantor, 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 Couponholders, as the case may be, of such amounts as would have been received by them had no such withholding or deduction been required. **Governing law** The Notes and the Guarantee are governed by, and shall be construed in accordance with, French law.
C.9	**Interest, maturity and redemption provisions, yield and representation of the Noteholders**	Please also refer to the information provided in Element C.8 above. Interest Basis: 6.50 per cent. Fixed Rate Interest Commencement Date: Issue Date Maturity Date: 18 January 2019 Call Option: Not Applicable Put Option: Not Applicable Change of Control Put Option: Applicable

		Final Redemption Amount of each Note: €1,000 per Note of €1,000 Specified Denomination Early Redemption Amount: €1,000 per Note of €1,000 Specified Denomination. Yield: 6.625 per cent. per annum Representation of Noteholders: The Noteholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a masse (the **Masse**). The Masse will be governed by certain provisions of the French *Code de commerce*. The names and addresses of the initial Representative and its alternate are Alice Bonardi 1-3 rue Taitbout, 75009 Paris Sophie Borniche Boittet, 1-3 rue Taitbout, 75009 Paris.
C.10	**Derivative component in interest payments**	Not applicable, the Notes issued under the Programme do not contain any derivative components.
C.11	**Admission to trading**	Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on Euronext Paris with effect from 18 September 2013.

	Section D – Risks Factors	
D.2	**Key information on the key risks that are specific to the Issuer and the Guarantor**	**Issuer:** The principal risk factors specific to the Issuer include: (i) Operational risks, in particular: • Risks related to the Group's economic and geopolitical environment: the Group's operations and earnings can be adversely affected by difficult economic conditions as demand in one or more geographic markets can decline sharply if the economic context turns morose, and particularly in the event of a recession; • New vehicle development, launch and marketing risks: profitability calculations are based primarily on unit sales

forecasts. Any downward adjustment in a unit sales forecast may lead to the recognition of an impairment loss on moulds and tooling or capitalised development costs depreciated/amortised over the commercial life of the vehicle models concerned or a provision to cover any contractual penalties that may be imposed in the event of a breach of take-or-pay clauses included in the Group's cooperation agreements with other carmakers;

- Customer and dealer risk: the Group is exposed to the risk of customer default in the normal course of its distribution and lending activities and for used vehicles, the risk concerns the valuation of vehicles in inventory;

- Raw materials risk: the Group's Automotive Division and Automotive Equipment Division (Faurecia) are exposed to raw materials risk either as a result of their direct purchases of raw materials or indirectly when purchasing components from suppliers;

- Supplier risk: temporary or permanent failure by suppliers to fulfil their commitments have an impact on the Group, the most serious risk being an interruption of parts deliveries leading to production stoppages at the plants and delays in the execution of vehicle, mechanical engineering or industrial projects;

- Industrial risks: a major incident at one of Group 's manufacturing facilities (fire, natural disaster, damage to equipment, etc.) that leads to a disruption of business risk could compromise the production and sale of vehicles, leading to several hundred million euros of losses;

- Environmental risks: the Group may be exposed to environmental risk arising from its manufacturing, sales and logistics activities;

- Workplace health and safety risks: as an employer, the Group is faced with a wide range of situations that could affect employee health, safety and wellbeing;

- Risks associated with the cooperation agreements with other carmakers: in the pre-signature negotiation phase there is a risk that the partner concerned could use the information provided to it by PSA Peugeot Citroën. Once a cooperation agreement has been signed, the risks faced by PSA Peugeot Citroën are mainly financial;

- Information system risks: include system downtime, damage to data integrity, breach of data confidentiality;

(ii) Financial market risks: the Group is exposed to liquidity risk, as well as interest rate risks, counterparty risks, exchange rate risk and other market risks related in particular to fluctuations in commodity prices and in equity markets. In addition, the risk of any downgrade of the Group's credit ratings could drive up its financing costs and make access to the financial markets more difficult;

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

- Business risk: seven main risk factors influence Banque PSA Finance's activity levels: external factors which contribute to vehicle purchases: public authority policy incentives to purchase new vehicles, changes in regulations and taxation that might alter the business or its profitability, the sales volumes and marketing activities of the Peugeot and Citroën brands, which determine the number of joint campaigns they run with Banque PSA Finance, Peugeot's rating and, as a knock-on effect, that of Banque PSA Finance, which could increase Banque PSA Finance's refinancing costs or, at the very least, the cost of its refinancing via the financial markets, the competitive position of Banque PSA Finance's offering and prices and country risk, with management seeking to secure financing locally insofar as is possible;

- Credit risk: the concentration risk arising from the failure of a customer to meet the payment or other terms of a contract with Banque PSA Finance;

- Market risks and financial risks include liquidity risk, interest rate risk, counterparty risk, currency risk and market risk;

- Risks relating to asset-backed-securities: beside holding portions of loan funds, the risks borne by Banque PSA Finance are an unexpected, unusual downgrade in the quality of the assets sold; a sharp drop in the production of new financings, affecting the production of reloaded securitisations and poor valuation of the economics of the transaction or of the quality of the assets at the time the transaction is originated;

- Concentration risk: Banque PSA Finance is exposed to several types of concentration risks - the concentration risk of each loan transaction, the segment concentration risk of each loan transaction and the concentration risk of its bank loans;

- Operational risk defined as the risk of loss arising from inadequacy or failure attributable to procedures, employees, internal systems or external events, including events which, although very unlikely to happen, would carry a high risk of loss;

- Non-compliance risk: the risk of court, administrative or disciplinary sanctions, major financial loss or injury to reputation arising from failure to comply with the statutory provisions and regulations of the banking and financial sectors;

- Reputation risk includes a specific risk to its "reputation and image, particularly in the eyes of its end customers, dealerships, other banks and supervisory authorities (excluding internal image risk)" and the possible repercussions of an operational incident;

		- Insurance business risk which consist of an underwriting risk, the risk of under-provision, the financial risks of the markets on which it invests and counterparty risk. - Correlation between Banque PSA Finance and its shareholder: a number of factors originating within the Group, including financial and economic factors, strategic factors and factors linked to the Group's reputation and brand image, may partially affect the Banque PSA Finance's activity and profitability; - Liquidity risk and in particular, Banque PSA Finance's need for the application of the French State guarantee to raise finance: o the maximum aggregate principal amount of all debt securities issued by Banque PSA Finance which may be guaranteed under the State guarantee is for the time being capped at €1,200,000,000, which amount was deployed on 8 April 2013 when Banque PSA Finance issued €1,200,000,000 0.625 per cent. notes due 8 April 2016; o the approval by the EU Commission of the State guarantee has been granted on a temporary basis only pending further examination of the Group restructuring plan and the decision relating thereto has not yet been published although the EU Commission has confirmed in writing that any potential negative decisions on the restructuring plan would not affect the validity of the State guarantee applicable to any State guaranteed Banque PSA Finance notes issued prior to the date of any negative decision; o the decision relating to the State guarantee may also be modified, repealed, withdrawn, suspended or annulled by the EU Commission for various reasons including the possibility that the decision has been taken on the basis of information supplied by a Member State of the EU which proves to be incorrect and a determining factor for such decision or that the relevant aid will be used in contravention of any conditions applying to the application of such aid and the validity of any European Commission decision relating to the approval of state aid may be open to challenge on various grounds by other member States or interested parties. If any such action by the EU Commission were taken or if any such challenge were to arise and were to be successful, then it may have a material adverse effect on the validity of the State guarantee including in respect of any outstanding series of notes issued purportedly with the benefit of the State guarantee; (iv) Legal and contractual risks, in particular:

		• Legal and arbitration proceedings; • Financial covenants to be complied with in financial contracts of companies of the Group; • Risks related to pension and other postretirement benefit obligations which directly impact the Group's consolidated income statement; • Risks related to intellectual property rights: the Group pays careful attention to protecting its intellectual property rights and legal action is taken against producers of counterfeit replacement parts and any other parties that breach the Group's rights; • Off-balance sheet commitments: which concern guarantees, bonds and endorsements issued by the Group in the normal course of business, as well as commitments undertaken as part of cooperation agreements; and (v) Risk coverage - Insurance. **Guarantor:** The principal risk factors specific to the Guarantor include: • Risks arising from changes to interest rates due to the activities of GIE PSA which are affected by fluctuation in interest rates; • Operational risk: the risk of loss arising from inadequacy or failure attributable to procedures, employees, internal systems or external events, including events which, although very unlikely to happen, would carry a high risk of loss; • Funding and liquidity risk: the average maturities of loans as well as the degree of diversification of shorter-term and longer-term lending contracts, liquidity limits and exposures are regularly monitored; • Counterparty risk which represents GIE PSA's exposure to incur a loss in the event of non-performance by a counterparty; and • Market risk may affect the value of any financial assets held which are subject to risks arising from price movements in the market.
D.3	**Key information on the key risks that are specific to the Notes**	There are certain factors which are material for the purpose of assessing the market risks associated with Notes, including the following: (i) General risks relating to the Notes (*e.g.* independent review and advice, potential conflicts of interest, legality of purchase, modification, waivers and substitution, regulatory restrictions, taxation, change of law, insolvency law, liquidity risks, exchange rate risks and exchange controls) such as: • 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 Noteholder's actual yield on the Notes may be reduced from the stated yield by transaction costs; • The Notes may not have an established trading market when issued and one may not develop. There can be no assurance of a secondary market for the Notes or the continued liquidity of such market if one develops; • 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; • The market value of the Notes will be affected by the creditworthiness of the Issuer and/or that of the Group and/or that of the Guarantor and the GIE Members and a number of additional factors including, but not limited to market interest and yield rates and the time remaining to the maturity date. • There are no covenants restricting the ability of the Issuer or any member of the Group (including the Guarantor) from incurring additional debt or restricting their operations. (ii) Specific risks relating to the structure of a particular issue of Notes (*e.g.* including Notes subject to optional redemption of the Issuer, Fixed Rate Notes, Floating Rate Notes, variable rate Notes, Zero Coupon Notes and RMB Notes) such as: • Investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes. (iii) Risks relating to the Guarantee • The Guarantee is in the form of a *cautionnement solidaire* and not a *garantie autonome à première demande* (an autonomous first demand guarantee) and will be subject to certain limitations on enforcement and may be limited by applicable laws and/or subject to certain defences that may limit its validity and enforceability. In particular, the Guarantee will only apply to any Notes (i) if and to the extent that, the proceeds of the issue of such Notes are, directly or indirectly, on-lent or otherwise made available to the Guarantor and (ii) at any time (including at the time any claim under the Guarantee can be validly made pursuant to its terms) only up to the amount that remain owing

		by the Guarantor to the Issuer (if any) pursuant to the relevant on-loan or other availability arrangements. • The Issuer is a holding company with most of its operating assets located in its subsidiaries against which investors in the Notes have no direct claims other than in respect of the Guarantor, where applicable, under, and subject to the conditions and limitations of the Guarantee. • Claims under the Guarantee may, in accordance with its terms, only be brought against the Guarantor and not against any of the GIE Members and Noteholders do not, and shall not, have, and, upon subscription, purchase or acquisition of any Notes, shall be deemed to have waived, any right of recourse against any of the GIE Members or any of their assets in the event of any payment or other default by the Guarantor under the Guarantee.

Section E - Offer		
E.2b	**Reason for the offer and use of proceeds**	The net proceeds of the issue of the Notes shall be on-lent or otherwise made available to the Guarantor and will be used for the Guarantor's general corporate purposes.
E.3	**Terms and conditions of the offer**	Not applicable, the Notes are not offered to the public. There are restrictions on the offer and sale of the Notes and the distribution of offering materials in various jurisdictions.
E.4	**Interests of natural and legal persons involved in the issue of the Notes**	Not applicable, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer.
E.7	**Estimated expenses charged to investor by the Issuer or the offeror**	Not applicable, there are no expenses charged to the investor.