

Base Prospectus dated 17 December 2012

# RALLYE

(A French *société anonyme*)

## Euro 4,000,000,000

### Euro Medium Term Note Programme

### Due from one month from the date of original issue

Under the Euro Medium Term Note Programme described in this Base Prospectus (the “**Programme**”), Rallye (the “**Issuer**” or “**Rallye**”), 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 Euro 4,000,000,000 (or the equivalent in other currencies).

This Base Prospectus shall be in force for a period of one year as of the date set out hereunder.

Application has been made to the *Commission de surveillance du secteur financier* in Luxembourg for approval of this Base Prospectus in its capacity as competent authority under the *loi relative aux prospectus pour valeurs mobilières* dated 10 July 2005, as amended, relating to prospectus for securities, for the approval of this Base Prospectus as a base prospectus for the purposes of Article 5.4 of the Prospectus Directive.

Application may be made (i) to the Luxembourg Stock Exchange for the Notes issued under the Programme to be admitted to the official list of the Luxembourg Stock Exchange (the “**Official List**”) and to be admitted to trading on the Luxembourg Stock Exchange and/or (ii) 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. The Luxembourg Stock Exchange is a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC (a “**Regulated Market**”). However, unlisted Notes may also be issued pursuant to the Programme. The relevant final terms (the “**Final Terms**”) (a form of which is 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 Regulated Market in the EEA. References in this Base Prospectus to the “**Prospectus Directive**” shall include the amendments made by Directive 2010/73/EU to the Directive 2003/71/EC of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading, to the extent that such amendments have been implemented in the relevant Member State of the European Economic Area. In accordance with article 7(7) of the *loi relative aux prospectus pour valeurs mobilières* dated 10 July 2005, as amended, the *Commission de surveillance du secteur financier* shall give no undertaking as to the economic and financial soundness of the operation or the quality or solvency of the Issuer by approving this Base Prospectus.

Notes may be issued either in dematerialised form (“**Dematerialised Notes**”) or in materialised form (“**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 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 (“**Euroclear France**”) (acting as central depository) which shall credit the accounts of Account Holders (as defined in “Terms and Conditions of the Notes - Form, Denomination, Title and Redenomination”) including Euroclear Bank S.A./N.V. (“**Euroclear**”) and the depository 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 Noteholder (as defined in Condition 1(c)(iv)), in either fully registered form (*nominatif pur*), in which case they will be inscribed either with the Issuer or with the registration agent (designated in the relevant Final Terms) for the Issuer, or in administered registered form (*nominatif administré*) in which case they will be inscribed in the accounts of the Account Holders designated by the relevant Noteholders.

Materialised Notes will be in bearer materialised 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. 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 40<sup>th</sup> day after the issue date of the Notes (subject to postponement as described in “Temporary Global Certificates issued in respect of Materialised Bearer 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 intended to be cleared through Euroclear and/or Clearstream, Luxembourg, be deposited on the issue date with a common depository 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).

Prospective investors should have regard to the factors described under the section headed “Risk Factors” in this Base Prospectus.

#### Arranger

**BARCLAYS**

#### Dealers

**BARCLAYS**

**BNP PARIBAS**

**CRÉDIT AGRICOLE CIB**

**DEUTSCHE BANK**

**HSBC**

**NATIXIS**

**SOCIETE GENERALE CORPORATE & INVESTMENT  
BANKING**

**THE ROYAL BANK OF SCOTLAND**

**This Base Prospectus (together with any supplements to this Base Prospectus published from time to time (each a “Supplement” and together the “Supplements”)) comprises a base prospectus for the purposes of Article 5.4 of the Prospectus Directive in respect of, and for the purpose of giving information with regard to Rallye (“Rallye” or the “Issuer”), the Issuer and its consolidated subsidiaries taken as a whole (the “Group” or the “Rallye Group”) and the Notes, which according to the particular nature of the Issuer and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer. The Issuer accepts responsibility for the information contained in this Base Prospectus.**

**No person 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 the Group since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer or the Group since the date hereof or the date upon which this Base Prospectus has been most recently amended or 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.**

**In the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive, the minimum specified denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes).**

**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 (the “Securities Act”) or with any securities regulatory authority of any state or other jurisdiction of the United States and include Materialised Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to 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”.**

**This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Dealers or the Arranger to subscribe for, or purchase, any Notes.**

**To the fullest extent permitted by law, none of the Dealers or the Arranger accept any responsibility for the contents of this Base Prospectus or for any other statement, made or purported to be made by the Arranger or a Dealer or on its behalf in connection with the Issuer or the issue and offering of the Notes. The Arranger and each Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Base Prospectus or any such statement. Neither this Base Prospectus nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealers that any recipient of this Base Prospectus or any other financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. 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 of any Tranche (as defined in “General Description of the Programme”), the Dealer or Dealers (if any) named as the stabilising manager(s) (the “Stabilising Manager(s)”) (or any person acting on behalf of any Stabilising Manager(s)) named 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 any person acting on behalf of any Stabilising Manager(s)) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant Tranche of Notes 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 of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment shall be conducted by the relevant Stabilising Manager(s) (or person(s) acting on behalf of any Stabilising Manager(s)) in accordance with 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 of the participating member states of the European Union which was introduced on 1 January 1999, 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” and “Yen” are to the lawful currency of Japan, references to “PLN” or “Polish zloty” are to the lawful currency of the Republic of Poland, references to “Swiss francs” or “CHF” are to the lawful currency of the Helvetic Confederation and references to “Renminbi” or “RMB” are to the lawful currency of the People's Republic of China (“PRC”).**

## **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 16 of the Prospectus Directive, 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 listed and admitted to trading on the Luxembourg Stock Exchange or on a Regulated Market of a Member State of the European Economic Area, shall constitute a supplement to the Base Prospectus for the purpose of the relevant provisions of the Prospectus Directive.

The Issuer has given an undertaking to the Dealers that if at any time during the duration of the Programme there is a significant new factor, material mistake or inaccuracy relating to information contained in this Base Prospectus which is capable of affecting the assessment of any Notes and whose inclusion in or removal from this Base Prospectus is necessary for the purpose of allowing an investor to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer, and the rights attaching to the Notes, the Issuer shall prepare an amendment or supplement to this Base Prospectus or publish a replacement Base Prospectus for use in connection with any subsequent offering of the Notes and shall supply to each Dealer such number of copies of such supplement hereto as such Dealer may reasonably request.

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## **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 issuer may be unable to pay interest, principal or other amounts on or in connection with any Notes for other reasons. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus (including any document incorporated by reference herein) and reach their own views prior to making any investment decision.*

### **I Factors that may affect the Issuer's ability to fulfil its obligations under or in connection with Notes issued under the Programme**

See section "Documents incorporated by reference."

### **II Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme**

#### **I. General Risks Relating to the Notes**

##### **1.1 Independent Review and Advice**

Each prospective investor of 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.

##### **1.2 Modification, waivers and substitution**

The conditions of the Notes contain provisions for calling General 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 General Meeting and Noteholders who voted in a manner contrary to the majority.

##### **1.3 No active Secondary/Trading Market for the Notes**

Notes issued under the Programme will be new securities which may not be widely distributed and for which there may be no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Notes which is already issued). If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. Although in relation to Notes to be listed and

admitted to trading on the Luxembourg Stock Exchange and/or any other Regulated Market in the European Economic Area, the Final Terms of the Notes will be filed with the *Commission de surveillance du secteur financier* in Luxembourg and/or with the competent authority of the Regulated Market of the European Economic Area where the Notes will be listed and admitted to trading, there is no assurance that such filings will be accepted, that any particular Tranche of Notes will be so listed and admitted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for any particular Tranche of Notes.

#### **1.4 Potential Conflicts of Interest**

All or some of the Dealers and their affiliates have and/or may in the future engage, in investment banking, commercial banking and other financial advisory and commercial dealings with the Issuer and its affiliates and in relation to securities issued by any entity of the Group. They have or may (i) engage in investment banking, trading or hedging activities including activities that may include prime brokerage business, financing transactions or entry into derivative transactions, (ii) act as underwriters in connection with offering of shares or other securities issued by any entity of the Group. In the context of these transactions, certain of such Dealers have or may hold shares or other securities issued by entities of the Group. Where applicable, they have or will receive customary fees and commissions for these transactions.

Each of the Issuer and the Dealer(s) 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 judgements that such calculation agent may make pursuant to the Terms and Conditions that may influence the amount receivable upon redemption of the Notes.

#### **1.5 Exchange Rates**

Prospective investors of the Notes should be aware that an investment in the Notes may involve exchange rate risks. The reference assets or the Notes may be denominated in a currency other than the currency of the purchaser's home jurisdiction; and/or the reference assets or the Notes may be denominated in a currency other than the currency in which a purchaser wishes to receive funds. Exchange rates between currencies are determined by factors of supply and demand in the international currency markets which are influenced by macro economic factors, speculation and central bank and government intervention (including the imposition of currency controls and restrictions). Fluctuations in exchange rates may affect the value of the Notes or the reference assets.

#### **1.6 Risks Relating to Renminbi-denominated Notes**

Notes denominated in RMB (“**RMB Notes**”) may be issued under the Programme. RMB Notes contain particular risks for potential investors, including the following:

*Renminbi is not freely convertible; there are significant restrictions on remittance of Renminbi into and outside the PRC.*

Renminbi is not freely convertible at present and despite a movement towards liberalisation of cross-border RMB remittances, notably in the current account activity, there is no assurance that the PRC government will continue so in the future or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC.

*There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of RMB Notes and the Issuer's ability to source Renminbi outside the PRC to service such RMB Notes.*

As a result of the restrictions by the PRC Government on cross-border Renminbi fund flows, the availability of Renminbi outside of the PRC is limited. However, pursuant to arrangements between the PRC Central Government and the Hong Kong government, all corporations are now allowed to open RMB accounts in Hong Kong. There is no longer any limit on the ability of corporations to convert RMB and there is no longer any restriction on the transfer of RMB funds between different accounts in Hong Kong.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange and of requirements by the Hong Kong Monetary Authority (such as maintaining no less than 25 per cent. of Renminbi deposits in cash or in the form of settlement account balance with the RMB Clearing Bank). There is no assurance that a change in PRC regulations will not have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of its RMB Notes. To the extent the Issuer is required to source Renminbi in the offshore market to service its RMB Notes, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all.

*Investment in RMB Notes is subject to exchange rate risks*

The value of Renminbi against the Euro, the U.S. 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. All payments of interest and principal with respect to RMB Notes will be made in Renminbi. As a result, the value of these Renminbi payments in Euro or U.S. dollar terms may vary with the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against the Euro, the U.S. dollar or other foreign currencies, the value of investment in Euro, U.S. dollar or other applicable foreign currency terms will decline.

*Investment in RMB Notes is also subject to interest rate risks*

The PRC government has gradually liberalised the regulation of interest rates in recent years. Further liberalisation may increase interest rate volatility. Notes denominated in RMB will generally carry a fixed interest rate. Consequently, the trading price of such Notes will vary with fluctuations in Renminbi 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.

*Developments in other markets may adversely affect the market price of any RMB Notes*

The market price of RMB Notes may be adversely affected by declines in the international financial markets and world economic conditions. The market for Chinese securities is, to varying degrees, influenced by economic and market conditions in other markets, especially those in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can affect the securities markets and the securities of issuers in other countries, including China. Since the sub-prime mortgage crisis in 2008, the international financial markets have experienced significant volatility. Should similar developments occur in the international financial markets in the future, the market price of RMB Notes could be adversely affected.

*RMB currency risk*

There can be no assurance that access to RMB for the purposes of making payments under the RMB 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, the Issuer may settle any such



payments in U.S. Dollars, in accordance with Condition 7(i), using an exchange rate determined by the Calculation Agent.

### **1.7 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 of 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.

### **1.8 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 innovative financial instruments such as the Notes. Potential investors are advised not to rely upon the tax summary contained in this Base Prospectus but to 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 advisors 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.

### **1.9 EU Savings Directive**

On 3 June 2003, the European Council of Economics and Finance Ministers adopted a directive 2003/48/EC regarding the taxation of savings income in the form of interest payments (the "**Directive**"). The Directive requires Member States, subject to a number of conditions being met, 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 its jurisdiction to, or for the benefit of, an individual resident 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 of such payment elects otherwise. *See "Taxation - EU Taxation"*.

If, following implementation of the Directive, a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be 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. If a withholding tax is imposed on payments made by a Paying Agent, the Issuer will be required to maintain a Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Directive.

### **1.10 Market Value of the Notes**

The market value of the Notes will be affected by the creditworthiness of the Issuer and a number of additional factors, including, but not limited to, the volatility of market interest and yield rates and the time remaining to the maturity date.

The value of the Notes 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 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.

### **1.11 Change of Law**

The Terms and Conditions of the Notes are based on French law 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 law or the official application or interpretation of French law after the date of this Base Prospectus.

### **1.12 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 if an accelerated financial preservation (*procédure de sauvegarde financière accélérée*), 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 (EMTN) and regardless of their governing law.

The Assembly deliberates on the proposed safeguard plan (*projet de plan de sauvegarde*), proposed accelerated financial accelerated safeguard plan (*projet de plan de sauvegarde financière accélérée*) or 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 attending such Assembly or represented thereat). No quorum is required to convoke the Assembly.

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

## **II. Risks related 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.

### **2.1 Notes subject to optional redemption by the Issuer**

In the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the country of domicile (or residence for tax purposes) by the Issuer, or on behalf of France, or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes in accordance with the Terms and Conditions.

In addition, if in the case of any particular Tranche of Notes the relevant Final Terms specifies that the Notes are redeemable at the Issuer's option in certain other circumstances the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. During a period when the Issuer may elect, or has elected, to redeem Notes, such Notes may feature a market value not substantially above the price at which they can be redeemed. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

## **2.2 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.

## **2.3 Floating Rate Notes**

Investment in Notes which bear interest at a floating rate comprise (i) a reference rate and (ii) a margin to be added or subtracted, as the case may be, from such base rate. Typically, the relevant margin 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.

## **2.4 Inverse Floating Rate Notes**

Investment in Notes which bear interest at an inverse floating rate comprise (i) a fixed base rate minus (ii) a reference rate. The market value of such Notes typically is more volatile than the market value of floating rate Notes 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.

## **2.5 Fixed to Floating Rate Notes**

Fixed to 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 the 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 to 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.

## **2.6 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.

**2.12 Exercise of Change of Control Put Option 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 Change of Control Put Option 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. In addition, investors may only be able to reinvest the moneys they receive upon such early redemption in securities with a lower yield than the redeemed Notes.

## DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the following documents all of which are incorporated by reference in the Base Prospectus and which the Issuer has filed with the *Commission de surveillance du secteur financier*:

- (1) the terms and conditions of the Notes contained in the base prospectus of Rallye dated 14 December 2011 (the “**EMTN 2011 Conditions**”);
- (2) the annual report of the Issuer for the year ended 31 December 2010 in English language (the “**2010 AR**”) except for declaration included on page 225 entitled “declaration by the person responsible for the reference document”;
- (3) the annual report of the Issuer for the year ended 31 December 2011 in English language (the “**2011 AR**”) except for declaration included on page 216 entitled “declaration by the person responsible for the reference document”; and
- (4) the half-year financial report as of 30 June 2012 in English language (the “**Interim 2012 IR**”) except for declaration included on page 2 entitled “statement by the person in charge of the interim financial report”.

The declarations mentioned in (2), (3) and (4) above and excluded from the documents incorporated by reference are not relevant for investors.

Such documents shall be deemed to be incorporated in, and form part of this Base Prospectus, save that any statement contained in a document which is deemed to be 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 herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus.

This Base Prospectus and copies of documents incorporated by reference in this Base Prospectus will be published on, and may be obtained from (i) the website of the Issuer ([www.rallye.fr](http://www.rallye.fr)), and (ii) the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

For the purposes of the Prospectus Directive, information can be found in such documents incorporated by reference of this Base Prospectus in accordance with the following cross-reference tables:

<b>EMTN 2011 Conditions</b>	
EMTN 2011 Conditions	Pages 23 to 59 of the base prospectus of Rallye dated 14 December 2011

<b>Annex IX Item No.</b>	<b>Wholesale Debt</b>	<b>Page</b>
<b>3</b>	<b>Risk Factors</b>	
	Prominent disclosure of risk factors that may affect the issuer’s ability to fulfil its obligations under the securities to investors in a section headed “Risk Factors”.	Pages 211 to 214 of the 2011 AR
<b>4</b>	<b>Information about the Issuer</b>	
<b>4.1</b>	<b>History and development of the Issuer</b>	

<b>Annex IX Item No.</b>	<b>Wholesale Debt</b>	<b>Page</b>
<b>4.1.1</b>	the legal and commercial name of the issuer;	Page 191 of the 2011 AR
<b>4.1.2</b>	the place of registration of the issuer and its registration number;	Page 191 of the 2011 AR
<b>4.1.3</b>	the date of incorporation and the length of life of the issuer, except where indefinite;	Page 191 of the 2011 AR
<b>4.1.4</b>	the 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 (or principal place of business if different from its registered office);	Cover Page & Page 191 of the 2011 AR
<b>5</b>	<b>Business Overview</b>	
<b>5.1</b>	<b>Principal activities:</b>	
<b>5.1.1</b>	A brief description of the issuer's principal activities stating the main categories of products sold and/or services performed.	Page 14 of the 2011 AR
<b>5.1.2</b>	The basis for any statements in the registration document made by the issuer regarding its competitive position.	Page 211-212 of the 2011 AR
<b>6</b>	<b>Organisational Structure</b>	
<b>6.1</b>	If the issuer is part of a group, a brief description of the group and of the issuer's position within it.	Pages 4, 14 & 205 of the 2011 AR
<b>9</b>	<b>Administrative, Management and Supervisory Bodies</b>	
<b>9.1</b>	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;	Pages 33 to 45 of the 2011 AR
<b>9.2</b>	<b>Administrative, Management, and Supervisory bodies conflicts of interests</b> Potential conflicts of interests between any duties to the issuing entity of the persons referred to in item 9.1 and their private interests and or other duties must be clearly stated. In the event that there are no such conflicts, a statement to that effect.	Page 49 of the 2011AR
<b>10</b>	<b>Major Shareholders</b>	
<b>10.1</b>	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.	Pages 26 & 202-203 of the 2011 AR
<b>11</b>	<b>Financial Information concerning the Issuer's Assets and Liabilities, Financial Position and Profits and Losses</b>	
<b>11.1</b>	<b>Historical Financial Information</b> <b>Audited historical financial information covering the latest 2 financial years</b>	

<b>Annex IX Item No.</b>	<b>Wholesale Debt</b>	<b>Page</b>
<b>11.1</b>	- <b>Consolidated financial statements of the Issuer for the financial year ended 31 December 2010:</b>	
	(i) Consolidated balance sheet	Pages 64 & 65 of the 2010 AR
	(ii) Consolidated income statement	Page 62 of the 2010 AR
	(iii) Consolidated statement of comprehensive income; Consolidated statement of cash flow and Statement of change in consolidated shareholders' equity	Pages 63, 66 to 69 of the 2010 AR
	(iv) Accounting policies and explanatory notes	Pages 70 to 159 of the 2010 AR
<b>11.3</b>	(v) Audit report	Pages 160 & 161 of the 2010 AR
<b>11.1</b>	- <b>Consolidated financial statements of the Issuer for the financial year ended 31 December 2011:</b>	
	(i) Consolidated balance sheet	Pages 64 & 65 of the 2011 AR
	(ii) Consolidated income statement	Page 62 of the 2011 AR
	(iii) Consolidated statement of comprehensive income; Consolidated statement of cash flow and Statement of change in consolidated shareholders' equity	Pages 63, 66 to 69 of the 2011 AR
	(iv) Accounting policies and explanatory notes	Pages 70 to 159 of the 2011 AR
<b>11.3</b>	(v) Audit report	Pages 160 & 161 of the 2011 AR
<b>11.5</b>	<b>Legal and arbitration proceedings</b> 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.	Page 213 of the 2011 AR Pages 21-22 & 32-33 of the 2012 IR
<b>12</b>	<b>Material Contracts</b>	
	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.	Page 204 of the 2011 AR

Information incorporated by reference	2012 IR
Interim Management Report	Pages 3 to 11
Half-Year Consolidated Financial Statements	Pages 12 to 34
<ul style="list-style-type: none"> <li>– Consolidated income statements:</li> <li>– Consolidated statement of comprehensive income:</li> <li>– Consolidated statement of financial position:</li> <li>– Consolidated statement of cash flow:</li> <li>– Statement of change in consolidated shareholders' equity:</li> <li>– Notes to the Interim Consolidated Financial Statements:</li> </ul>	<ul style="list-style-type: none"> <li>Page 12</li> <li>Page 13</li> <li>Page 14</li> <li>Pages 15 and 16</li> <li>Pages 17 and 18</li> <li>Pages 19 to 34</li> </ul>
Statutory Auditors' Review Report on the Interim Financial Information for the First Half of 2012:	Page 35

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



## **PERSONS RESPONSIBLE FOR THE INFORMATION GIVEN IN THE PROSPECTUS**

To the best knowledge of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus is in accordance with the facts and contains no omission likely to affect its import. The Issuer accepts responsibility for the information contained in this Base Prospectus accordingly.

RALLYE  
83, rue du Faubourg Saint-Honoré  
75008 Paris  
France

Duly represented by:

Jean-Charles Naouri  
Chief Executive Officer

## GENERAL DESCRIPTION OF THE PROGRAMME

*The following general description is qualified in its entirety by the remainder of this Base Prospectus.*

<b>Issuer:</b>	Rallye
<b>Description:</b>	Euro Medium Term Note Programme for the continuous offer of Notes (the “ <b>Programme</b> ”)
<b>Arranger:</b>	Barclays Bank PLC
<b>Dealers:</b>	Barclays Bank PLC BNP Paribas Crédit Agricole Corporate and Investment Bank Deutsche Bank AG, London Branch HSBC Bank plc Natixis Société Générale The Royal Bank of Scotland plc
	<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 “<b>Permanent Dealers</b>” 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 “<b>Dealers</b>” 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 (“<b>EU</b>”) and which are authorised by the relevant authority of such home member state to lead-manage bond issues in such member state may, in the case of Notes to be listed on the Luxembourg Stock Exchange, 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>
<b>Programme Limit:</b>	Euro 4,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.
<b>Fiscal Agent and Paying Agent:</b>	BNP Paribas Securities Services (affiliated with Euroclear France under number 29106)
<b>Method of Issue:</b>	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a “ <b>Series</b> ”) 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 “ <b>Tranche</b> ”) on the same or different issue dates. The specific terms of each Tranche will be set out in final terms to this Base Prospectus (the “ <b>Final Terms</b> ”).
<b>Maturities:</b>	Subject to compliance with all relevant laws, regulations and directives, any maturity from one month from the date of original issue.

<b>Currencies:</b>	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Euro, U.S. Dollars, Japanese yen, Swiss francs, Polish zloty, Sterling, Renminbi and in any other currency agreed between the Issuer and the relevant Dealers.
<b>Denomination(s):</b>	<p>Notes will be in such denominations as may be specified in the relevant Final Terms.</p> <p>The Notes will be issued in such denomination(s) as may be agreed between the Issuer and the relevant Dealer save that the minimum denomination of each Note listed and admitted to trading on a regulated market in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency at the issue date) or such other 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.</p> <p>Notes having a maturity of less than one year will constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent.</p> <p>Dematerialised Notes will be issued in one denomination only.</p>
<b>Status of the Notes:</b>	The Notes will constitute direct, unconditional, (subject to the provisions of Condition 4) unsecured and unsubordinated obligations of the Issuer and rank and will rank <i>pari passu</i> and without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present or future unsecured and unsubordinated indebtedness and monetary obligations of the Issuer.
<b>Negative Pledge:</b>	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”.
<b>Events of Default (including cross default):</b>	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”.
<b>Redemption Amount:</b>	Unless previously redeemed, purchased and cancelled, each Note shall be finally redeemed on the Maturity Date at its nominal amount. Unless permitted by then current laws and regulations, Notes (including Notes denominated in Sterling) having a maturity of less than one year from their 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 must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).

<b>Optional Redemption:</b>	<p>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 and if so the terms applicable to such redemption.</p> <p>If a Change of Control Put Option is specified in the relevant Final Terms, following the occurrence of a Change of Control, the Noteholders will be entitled to request the Issuer to redeem or, at the Issuer's option, procure the purchase of their Notes, as more fully set out in "Terms and Conditions of the Notes - Redemption, Purchase and Options".</p>
<b>Early Redemption:</b>	<p>Except as provided in "Optional Redemption" above, Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons. See "Terms and Conditions of the Notes - Redemption, Purchase and Options".</p>
<b>Interest Periods and Interest Rates:</b>	<p>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.</p>
<b>Fixed Rate Notes:</b>	<p>Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.</p>
<b>Floating Rate Notes:</b>	<p>Floating Rate Notes will bear interest determined separately for each Series as follows:</p> <ul style="list-style-type: none"> <li>(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</li> <li>(ii) by reference to LIBOR, EURIBOR, EUR CMS or TEC 10 (or such other benchmark as may be specified in the relevant Final Terms),</li> </ul> <p>in each case as adjusted for any applicable margin.</p> <p>Interest periods will be specified in the relevant Final Terms.</p>
<b>Zero Coupon Notes:</b>	<p>Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.</p>
<b>Redenomination:</b>	<p>Notes issued in the currency of any Member State of the EU which will participate in the single currency of the European Economic and Monetary Union may be redenominated into Euro, all as more fully provided in "Terms and Conditions of the Notes - Form, Denomination, Title and Redenomination" below.</p>
<b>Consolidation:</b>	<p>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".</p>

<b>Form of Notes:</b>	Notes may be issued in either dematerialised form (“ <b>Dematerialised Notes</b> ”) or in materialised form (“ <b>Materialised Notes</b> ”).  Dematerialised Notes may, at the option of the Issuer, be issued in bearer dematerialised form ( <i>au porteur</i> ) or in registered dematerialised form ( <i>au nominatif</i> ) and, in such latter case, at the option of the relevant Noteholder, in either <i>au nominatif pur</i> or <i>au nominatif administré</i> form. No physical documents of title will be issued in respect of Dematerialised Notes. See “Terms and Conditions of the Notes - Form, Denomination, Title and Redenomination”.  Materialised Notes will be in bearer materialised form 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.
<b>Governing Law:</b>	French law.
<b>Central Depository:</b>	Euroclear France as central depository in relation to Dematerialised Notes.
<b>Clearing Systems:</b>	Clearstream, Luxembourg and 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.
<b>Initial Delivery of Dematerialised Notes:</b>	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 depository.
<b>Initial Delivery of Materialised Notes:</b>	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 depository 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.
<b>Issue Price:</b>	Notes may be issued at their nominal amount or at a discount or premium to their nominal amount.
<b>Taxation:</b>	All payments of principal and interest 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.  See section “Taxation”.
<b>Listing and admission to trading:</b>	The Luxembourg Stock Exchange or as otherwise specified in the relevant Final Terms. As specified in the relevant Final Terms, a Series of Notes may or may not be admitted to trading.
<b>Method of Publication of the Final Terms:</b>	The Final Terms related to Notes listed and admitted to trading on any Regulated Market will be published, if relevant, on the website of the Luxembourg Stock Exchange.

**Selling Restrictions:**

There are restrictions on the sale of Notes and the distribution of offering material in various jurisdictions. See “Subscription and Sale”.

The Issuer is Category 2 for the purposes of Regulation S under the United States Securities Act of 1933, as amended.

Materialised Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the “**D Rules**”) unless (i) the relevant Final Terms states that such Materialised Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the “**C Rules**”) or (ii) such Materialised Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“**TEFRA**”), which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable.

Dematerialised Notes do not require compliance with the TEFRA rules.

## TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion in accordance with the provisions of the relevant Part A of the Final Terms, 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 the relevant Part A of the 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 (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 agency agreement dated 17 December 2012 has been agreed between Rallye (the “**Issuer**” or “**Rallye**”), BNP Paribas Securities Services as fiscal agent and the other agents named in it (the “**Agency Agreement**”). The fiscal agent, the paying agents, 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 “**Redenomination Agent**”, the “**Consolidation Agent**” and the “**Calculation Agent(s)**”.

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 Directive 2004/39/EC on Markets in Financial Instruments dated 21 April 2004 as amended from time to time.

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

### 1 Form, Denomination(s), Title, Redenomination and Method of Issue

(a) **Form:** Notes may be issued either in dematerialised form (“**Dematerialised Notes**”) or in materialised form (“**Materialised Notes**”).

(i) Title to Dematerialised Notes will be evidenced in accordance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier* (the “**Code**”) by book entries (*inscriptions en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the Code) will be issued in respect of the Dematerialised Notes.

Dematerialised Notes are issued, at the option of the Issuer, in either bearer dematerialised form (*au porteur*), which will be inscribed in the books of Euroclear France S.A. (“**Euroclear France**”) (acting as central depository) which shall credit the accounts of Account Holders, or in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder in either administered registered form (*au nominatif administré*) inscribed in the books of an Account Holder or in fully registered form (*au nominatif pur*) inscribed in an account held by Euroclear France and in the books maintained by the Issuer or the registration agent (designated in the relevant Final Terms) acting on behalf of the Issuer (the “**Registration Agent**”).

For the purpose of these Conditions, “**Account Holder**” means any intermediary institution entitled to hold accounts directly or indirectly on behalf of its customers with Euroclear France, and includes Euroclear Bank

S.A./N.V. (“**Euroclear**”) and the depository 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 (the “**Coupons**” and, where appropriate, a talon (the “**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.

*In accordance with Articles L.211-3 and R.211-1 of the Code, securities (such as 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 (the “**Specified Denomination(s)**”) save that the minimum denomination of each Note listed and admitted to trading on a Regulated Market in a Member State of the EEA in circumstances which require the publication of a prospectus under the Prospectus Directive will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency at the issue date) or such other 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. Dematerialised Notes shall be issued in one Specified Denomination only.

- (c) **Title:**

- (i) Title to Dematerialised Notes in bearer dematerialised 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 Account Holders. Title to Dematerialised Notes 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 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 (as defined below) of any Note, 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**”, “**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 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 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 Interest Payment Date, without the consent of the holder of any Note, Coupon or Talon, by giving at least 30 days' notice in accordance with Condition 15 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 (the "EC"), 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 (as defined below) into Euro and adjust the aggregate principal amount and the Specified Denomination(s) accordingly, as described below. The date on which such redenomination becomes effective shall be referred to in these Conditions as the "**Redenomination Date**".
- (ii) 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 applicable regulations 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. 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) 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, without the consent of the holder of any Note, Coupon or Talon, make any changes or additions to these Conditions or Condition 14 (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, Coupons and Talons and shall be notified to Noteholders in accordance with Condition 15 as soon as practicable thereafter.

- (v) Neither the Issuer nor any Paying Agent shall be liable to the holder of any Note, 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 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 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 issued in registered dematerialised form (*au nominatif*) may not be converted into Dematerialised Notes in bearer dematerialised form (*au porteur*).
- (iii) Dematerialised Notes issued in fully registered form (*au nominatif pur*) may, at the option of the Noteholder, be converted into Notes in administered registered 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 Code. Any such conversion shall be effected at the cost of such Noteholder.

(b) **Materialised Notes**

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

## 3 Status

The Notes and, where applicable, any relative Coupons are direct, unconditional, (subject to the provisions of Condition 4) unsecured and unsubordinated obligations of the Issuer and rank and will rank *pari passu* and without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present or future unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, from time to time outstanding.

## 4 Negative Pledge

So long as any of the Notes or, if applicable, any Coupons relating to them, remains outstanding (as defined below), the Issuer will not create or permit to subsist any mortgage, charge, pledge, lien (other

than a lien arising by operation of law) or other form of encumbrance or security interest (*sûreté réelle*) (“**Security**”), except for any Security securing an amount up to Euro 160 million in respect of the Issuer’s assets other than the ordinary shares issued by Casino Guichard-Perrachon (“**Casino**”) or other securities giving right to receive (through conversion, exchange, subscription or otherwise) equity securities issued by Casino (it being understood that an escrow arrangement (*séquestre*) is not a Security for the purposes hereof), upon the whole or any part of its undertakings, assets or revenues, present or future (including any uncalled capital), to secure any Capital Markets Indebtedness, or any guarantee of or indemnity in respect of any Capital Markets Indebtedness (as defined below) unless, at the same time or prior thereto, its obligations under the Notes and Coupons (A) are secured equally and rateably therewith or (B) have the benefit of such other security or other arrangement as shall be approved by the *Masse* (as defined in Condition 11) pursuant to Condition 11.

For the purposes of this Condition:

- (i) “**Capital Markets Indebtedness**” means any present or future indebtedness for borrowed money in the form of, or represented by, bonds (*obligations*) or other securities (including *titres de créances négociables*) which are for the time being, or are capable of being, quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter market or other securities market.
- (ii) “**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 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 Notes, to the Fiscal Agent as provided in this Agreement and remain available for payment against presentation and surrender of Materialised Bearer Notes 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 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.

## 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:

“**Business Day**” means:

- (i) in the case of Euro, a day 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 payments in Renminbi in Hong Kong and in the relevant Business Centre(s) (if any); and/or
- (iii) in the case of a currency other than Euro and Renminbi, 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 a 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/Actual**” 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).
- (ii) 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,

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 hereon or, if none is specified, the Interest Payment Date.

- (iii) if “**Actual/365 (Fixed)**” is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365
- (iv) if “**Actual/360**” is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 360
- (v) 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:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“**D<sub>2</sub>**” 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 D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30

- (vi) 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:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

”**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“**D<sub>2</sub>**” 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 D<sub>2</sub> will be 30

(vii) if “**30E/360 (ISDA)**” is specified hereon, 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:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” 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 D<sub>1</sub> will be 30; and

”**D<sub>2</sub>**” 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 D<sub>2</sub> 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 EC, as amended

“**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 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., as may be supplemented or amended as at the Issue Date

“**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 or as specified in the relevant Final Terms

“**Reference Rate**” means the rate specified as such in the relevant Final Terms

“**Relevant Date**” means, in respect of any Note or Coupon, the date on which payment in respect of it first became due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (in the case of Materialised Notes if earlier) the date seven days after that on which notice is duly given to the holders of such Materialised Notes that, upon further presentation of the Materialised

Note or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation

“**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

“**RMB Note**” means a Note denominated in Renminbi

“**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.

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:**

- (i) *Interest Payment Dates:* Each Floating 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 (except as otherwise provided in the relevant Final Terms) on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(g). 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 the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the relevant Final Terms.

(A) 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 (A), “**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 (A), “**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.

(B) Screen Rate Determination for Floating Rate Notes

(a) 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:

- (i) the offered quotation or
- (ii) 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.

- (b) if the Relevant Screen Page is not available or if subparagraph (a)(i) applies and no such offered quotation appears on the Relevant Screen Page or if subparagraph (a)(ii) applies and fewer than three such offered quotations appear on the Relevant Screen Page, 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
- (c) if paragraph (b) 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).

- (d) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the Floating Rate Notes is specified as being the EUR CMS, the Rate of Interest for each Interest Period will, subject as provided below, be the offered quotation (expressed as a percentage rate per annum) for EUR CMS relating to the relevant maturity (the relevant maturity year mid swap rate in EUR (annual 30/360)), which appears on the Relevant Screen Page, being Reuters page "ISDAFIX2" under the heading "EURIBOR Basis", as at 11.00 a.m. Frankfurt time, in the case of the EUR-ISDA-EURIBOR Swap Rate-11:00 on the Interest

Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent.

Notwithstanding anything to the contrary in this Condition 5, in the event that the Reference Rate does not appear on the Relevant Screen Page, the Calculation Agent shall determine on the relevant Interest Determination Date the applicable rate based on quotations of five Reference Banks (to be selected by the Calculation Agent and the Issuer) for EUR CMS relating to the relevant maturity (in each case the relevant mid-market annual swap rate commencing two TARGET2 Business Days following the relevant Interest Determination Date). The highest and lowest (or, in the event of equality, one of the highest and/or lowest) quotations so determined shall be disregarded by the Calculation Agent for the purpose of determining the Reference Rate which will be the arithmetic mean (rounded if necessary to five significant figures with halves being rounded up) of such provided quotations.

If, for any reason, the Reference Rate is no longer published or if fewer than three quotations are provided to the Calculation Agent in accordance with the above paragraph, the Reference Rate will be determined by the Calculation Agent in its sole discretion, acting in good faith and in a commercial and reasonable manner.

- (e) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the Floating Rate Notes is specified as being the TEC 10, the Rate of Interest for each Interest Period will, subject as provided below, be the offered quotation (expressed as a percentage rate per annum) for the EUR-TEC10-CNO calculated by the *Comité de Normalisation Obligataire*, which appears on the Relevant Screen Page, being Reuters Screen CNOTE10 Page, as at 10.00 a.m. Paris time on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent.

For information purposes only, the EUR-TEC10-CNO, established in April 1996, is the percentage yield (rounded to the nearest second decimal point, 0.005 per cent. being rounded upwards) of a notional 10 year French Treasury Bond (*Obligation Assimilable du Trésor*, “OAT”) corresponding to the linear

interpolation between the yield to maturity of the two actual OATs (the “**Reference OATs**”) whose periods to maturity are closest in duration to the notional 10 year OAT, one Reference OAT's duration being of less than 10 years and the other Reference OAT's duration being greater than 10 years.

If, on any Interest Determination Date, such rate does not appear on Reuters Screen CNOTEC10 Page, EUR-TEC 10-CNO shall be determined by the Calculation Agent on the basis of the mid-market prices for each of the two reference OAT, which would have been used by the *Comité de Normalisation Obligatoire* for the calculation of EUR-TEC10-CNO, quoted by five *Spécialistes en Valeurs du Trésor* at approximately 10:00 a.m. Paris time on the Interest Determination Date in question.

The Calculation Agent will request each *Spécialiste en Valeurs du Trésor* to provide a quotation of its price.

EUR-TEC10-CNO will be the redemption yield of the arithmetic mean of such quotations as determined by the Principal Paying Agent after discarding the highest and lowest such quotations. The above mentioned redemption yield shall be determined by the Calculation Agent in accordance with the formula that would have been used by the *Comité de Normalisation Obligatoire* for the determination of EUR-TEC10-CNO.

- (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(d)(i)).
- (e) **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 to the Relevant Date (as defined in Condition 8).
- (f) **Margin, Maximum/Minimum Rates of Interest 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 Condition 5(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 or Redemption Amount is specified in the relevant Final Terms, then any Rate of Interest 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, (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 significant 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.
- (g) **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 is specified in respect of such period in the Final Terms, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount. 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.
- (h) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Optional Redemption Amounts and Early Redemption Amounts:** The Calculation Agent shall, as soon as practicable 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, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Optional Redemption Amount or Early Redemption 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 or Early Redemption 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 listed and admitted to trading on a Regulated Market and the rules 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 exchange 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.

- (i) **Calculation Agent:** The Issuer shall use its best efforts to procure that there shall at all times 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 above in Condition 4). 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 Accrual Period or to calculate any Interest 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 listed on any stock exchange and the rules applicable to that exchange so require, notice of any change of Calculation Agent shall be given in accordance with Condition 15.

- (j) **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.

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 each Note shall be finally redeemed on the Maturity Date specified in the relevant Final Terms at its Final Redemption Amount (which is its nominal amount).
- (b) **Redemption at the Option of the Issuer and Partial Redemption:** If a Call Option is specified in the relevant Final Terms, the Issuer may, subject to compliance by the Issuer with all relevant laws, regulations and directives and on giving not less than 15 nor more than 30 days' irrevocable notice in accordance with Condition 15 to the Noteholders (or such other notice period as may be specified in the relevant Final Terms), redeem all or, if so provided, some, of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption, if any. Any such redemption must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed as specified in the relevant Final Terms and no greater than the Maximum Redemption Amount to be redeemed specified in the relevant Final Terms.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption the notice to holders of Materialised Notes shall also contain the number of the Definitive Materialised Bearer Notes to be redeemed 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 requirements of the Regulated Market on which the Notes are listed and admitted to trading.

In the case of a partial redemption, the redemption may be effected, at the option of the Issuer, either (i) by reducing the nominal amount of all 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 Code, subject to compliance with any other applicable laws and requirements of the Regulated Market on which the Notes are listed and admitted to trading.

So long as the Notes are listed and admitted to trading on a Regulated Market 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 on the website of any Regulated Market on which such Notes are listed and admitted to trading, which in the case of the Luxembourg Stock Exchange is expected to be the website of the Luxembourg Stock Exchange (*www.bourse.lu*), 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.

- (c) **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.

To exercise such option the Noteholder must deposit with any Paying Agent at its specified office during usual business hours a duly completed option exercise notice (the “**Exercise Notice**”) in the form obtained during usual business hours from any Paying Agent or the Registration Agent, as the case may be, within the notice period. Such notice shall, in the case of Materialised Bearer Notes, have attached to it such Note (together with all unmatured 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 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.

(d) **Early Redemption:**

(i) Zero Coupon Notes:

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, upon redemption of such Note pursuant to Condition 6(e) or Condition 6(h) or upon it becoming due and payable as provided in Condition 9 shall be the Amortised Nominal Amount (calculated as provided below) of such Note.
- (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(e) or Condition 6(h) or upon it becoming due and payable as provided in Condition 9 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 (both before and after 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 as provided 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(e) or Condition 6(h), or upon it becoming due and payable as provided in Condition 9 shall be the Final Redemption Amount together with interest accrued to the date fixed for redemption .

(e) **Redemption for Taxation Reasons:**

(i) If, by reason of any change in French law, or any change in the official application or interpretation of such 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 under Conditions 8(a) and 8(b) 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 45 nor less than 30 days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 15, redeem all, but not some only, of the Notes at their Early Redemption Amount together with any interest accrued to the date set for redemption 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 French taxes.

(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 Conditions 8(a) and 8(b) 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 days' prior notice to the Noteholders in accordance with Condition 15, redeem all, but not some only, of the Notes then outstanding at their Redemption Amount together with any interest accrued to the date set for redemption on (A) 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, provided that if such notice would expire after such Interest Payment Date the date for redemption pursuant to such notice of Noteholders shall be the later of (i) the latest practicable date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes and (ii) 14 days after giving notice to the Fiscal Agent as aforesaid or (B) if so specified in the relevant Final Terms, at any time, provided that the due date for redemption of which notice hereunder shall be given shall be the latest practicable date at which the Issuer could make payment of the full amount payable in respect of the Notes, or, if applicable, Coupons or, if that date is passed, as soon as practicable thereafter.

- (f) **Purchases:** The Issuer shall have the right at all times to purchase Notes (provided that, in the case of Materialised Notes, all unmatured Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price and at any condition, whether by a tender offer or otherwise, subject to the applicable laws and regulations. Unless the possibility of holding and reselling is expressly excluded in the Final Terms, all Notes so purchased by the Issuer may be held and resold for the purpose of enhancing the liquidity of the Notes in accordance with Articles L.213-1 A and D.213-1 A of the Code.
- (g) **Cancellation:** All Notes purchased by or on behalf of the Issuer for cancellation 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 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 Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so cancelled or, where applicable, transferred or surrendered for cancellation may not be re-issued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.
- (h) **Illegality:** If, by reason of any change in French law, or any change in the official application of such 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 45 nor less than 30 days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 15, redeem all, but not some only, of the Notes at their Early Redemption Amount together with any interest accrued to the date set for redemption.
- (i) **Redemption at the Option of Noteholders following a Change of Control of Casino:** In the event of a Change of Control (as defined below), each Noteholder may request, during the early redemption period set out below, the early redemption of its Notes at 100 per cent. of their principal amount (€100,000 per Note) together with accrued interest up to the effective date of redemption (the "**Early Redemption Price**").

Any Change of Control shall be notified within 5 Business Days of its occurrence, to the Noteholders by the Issuer in accordance with Condition 15 and to the Luxembourg Stock Exchange, irrespective of whether the Change of Control results from a decrease of the Issuer's shareholding in Casino or from the increase of the shareholding in Casino of any other party.

Any such notification will indicate the date of the Change of Control, the period in which the early redemption of the Notes may be requested, the effective date of redemption and the Early Redemption Price. The period when early redemption may be requested will run for at least 20 Business Days following the notification of the Change of Control to the Noteholders by the Issuer in accordance with Condition 15 (the "**Early Redemption Period**"). To request the early redemption of its Notes, the Noteholder must transfer or cause to be transferred by its Account Holder (who holds the Notes on behalf of the Noteholder in its book entries) its Notes to be so redeemed to the account of the Fiscal Agent specified in the Put Option Notice (as defined below) for the account of the Issuer

not later than the last Business Day of the Early Redemption Period together with a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of the Paying Agent (a “**Put Option Notice**”) and in which the Noteholder may specify a bank account to which payment is to be made under this Condition 6(i).

A Put Option Notice once given is irrevocable and the Issuer will be required to redeem all the Notes in respect of which such Put Option Notice has been given as set out above no later than the tenth Business Day following the last day of the Early Redemption Period.

For the purposes of this Condition 6(i):

- “**Casino**” means Casino Guichard-Perrachon, *société anonyme* incorporated under the laws of France, registered with the *Registre du commerce et des sociétés* of Saint-Etienne under number 554 501 171;
  - “**Business Day**” means any day, not being a Saturday or a Sunday, on which commercial banks and foreign exchange markets are open for general business in Paris and Luxembourg and on which the TARGET System is operating;
  - “**Change of Control**” means a situation where for whatever reason other than following a merger of Casino:
    - (i) the Issuer, directly or indirectly, acting alone or in concert with others, holds a number of shares representing less than 40 per cent. of the voting rights in the general meetings of Casino, or
    - (ii) (x) the Issuer, directly or indirectly, acting alone or in concert with others, holds a number of shares representing at least 40 per cent. of the voting rights in the general meetings of Casino and (y) any other shareholder of Casino, directly or indirectly, acting alone or in concert with others, holds a number of shares representing a percentage of the voting rights in such general meetings which is higher than the percentage of voting rights attaching to the number of shares held, directly or indirectly, acting alone or in concert with others, by the Issuer.
  - “**acting in concert with others**” has the meaning given to such terms in Article L.233-10 of the French *Code de Commerce*.
- (j) **Redemption at the Option of Noteholders following a Change of Control of the Issuer:** If Foncière Euris ceases directly or indirectly, acting alone or in concert with others, to control the Issuer within the meaning of Article L.233-3 of the French *Code de commerce*, then the Issuer shall promptly:
- (i) publish notice of such loss of control in accordance with Condition 15,
  - (ii) notify the Luxembourg Stock Exchange,
  - (iii) prepare a supplement to the Base Prospectus,
- and each Noteholder shall be permitted, until 30 days following publication of such notice (the “**Issuer’s Early Redemption Period**”), to require from the Issuer the early redemption of all or part of such Noteholder’s Notes, and the Issuer shall be obliged to redeem such Noteholder’s Notes, at their principal amount together with accrued interest up to the effective date of redemption.

To request the early redemption of its Notes, the Noteholder must transfer or cause to be transferred by its Account Holder (who holds the Notes on behalf of the Noteholder in its book entries) its Notes to be so redeemed to the account of the Fiscal Agent specified in the Issuer's Put Option Notice (as defined below) for the account of the Issuer not later than the last Business Day of the Issuer's Early Redemption Period together with a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of the Paying Agent (an "**Issuer's Put Option Notice**") and in which the Noteholder may specify a bank account to which payment is to be made under this section.

An Issuer's Put Option Notice once given is irrevocable and the Issuer will be required to redeem all Notes in respect of which such Issuer's Put Option Notice has been given as set out above no later than the tenth Business Day following the last day of the early redemption period set out above.

For the purposes of this Condition 6(j):

- "**Business Day**" means any day, not being a Saturday or a Sunday, on which commercial banks and foreign exchange markets are open for general business in Paris and Luxembourg and on which the TARGET System is operating;
- "**Foncière Euris**" means Foncière Euris, *société anonyme* incorporated under the laws of France, registered with the *Registre du commerce et des sociétés* of Paris under number 702 023 508.

## 7 **Payments and Talons**

- (a) **Dematerialised Notes:** Payments of principal and interest in respect of Dematerialised Notes shall (in the case of Dematerialised Notes in bearer dematerialised form or administered registered form) be made by transfer to the account denominated in the relevant currency of the relevant Account Holders for the benefit of the Noteholders and, (in the case of Dematerialised Notes in fully registered form), to an account denominated in the relevant currency with a Bank designated by the Noteholders. All payments validly made to such Account Holders will be an effective discharge of the Issuer in respect of such payments.
- (b) **Materialised Bearer Notes:** Payments of principal and interest in respect of Materialised Bearer Notes shall, subject as mentioned below, be made against presentation and surrender during usual business hours of the relevant Materialised Bearer Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(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. "**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.
- (c) **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.

- (d) **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. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (e) **Appointment of Agents:** The Fiscal Agent, the Paying Agents, the Calculation Agent, the Redenomination Agent and the Consolidation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents, the Redenomination Agent, the Consolidation Agent and the Registration Agent act solely as agents of the Issuer and the Calculation Agent(s) act(s) as independent experts(s) and, in each such case, 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 Redenomination Agent, the Consolidation Agent and the Registration 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) a Paying Agent having a specified office in at least one major European city (v) in the case of Dematerialised Notes, in fully registered form, a Registration Agent (vi) such other agents as may be required by any other Regulated Market on which the Notes may be listed and admitted to trading and (vii) in the case of Materialised Notes, a Paying Agent with a specified office in a European Union Member State that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC of 3 June 2003 on the taxation of savings income in the form of interest payments or any other European Union Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such Directive.

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(d) with a view to consolidating such Notes with one or more other Series of Notes, in accordance with Condition 14, 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.

- (f) **Unmatured Coupons and unexchanged Talons:**
  - (i) Upon the due date for redemption of those Notes, Materialised Bearer Notes which comprise Fixed Rate Notes should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of

payment not being made in full, that proportion of the amount of such missing unmatured 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).

- (ii) Upon the due date for redemption of any Materialised Bearer Note comprising a Floating Rate Note, unmatured 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) Where any Materialised Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer 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.
  - (v) 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, 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.
- (g) **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).
- (h) **Non-Business Days:** If any date for payment in respect of any Note 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, in such jurisdictions as shall be specified as “**Financial Centres**” in the relevant Final Terms and (B) (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.

- (i) **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-day 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(i) by the RMB Rate Calculation Agent, will (in the absence of manifest error) be binding on the Issuer, the Agents and all Noteholders.

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 reputation 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 TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. 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) **Tax exemption for Notes:** 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 French law should require that payments of principal or interest in respect of any Note or Coupon be subject to deduction or withholding in respect of any taxes or duties whatsoever, the Issuer will, 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, except that no such additional amounts shall be payable with respect to any Note or Coupon, as the case may be:

- (i) **Other connection:** to, or to a third party on behalf of, a Noteholder or, if applicable, a Couponholder, as the case may be, who is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of his having some connection with France other than the mere holding of the Note or Coupon; or
- (ii) **Presentation more than 30 days after the Relevant Date:** in the case of Materialised Notes, more than 30 days after the Relevant Date except to the extent that the Noteholder or, if applicable, the Couponholder, as the case may be, would have been entitled to such additional amounts on presenting it for payment on the thirtieth such day; or
- (iii) **Payment to individuals:** 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 income, or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (iv) **Payment by another Paying Agent:** in respect of Definitive Materialised Bearer Notes, presented for payment by or on behalf of a holder of any Note, Coupon, as the case may be, who would be able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a Member State of the EU.

As used in these Conditions, “**Relevant Date**” in respect of any Note or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or, in the case of Materialised Notes (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

References in these Conditions to (i) “**principal**” shall be deemed to include any premium payable in respect of the Notes, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Nominal Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) “**interest**” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) “**principal**” and/or “**interest**” shall be deemed to include any additional amounts that may be payable under this Condition.

- (c) **Supply of Information:** Each Noteholder shall be responsible for supplying, in a timely manner, any information as may be required in order to comply with the identification and reporting obligations imposed on it by the European Council Directive 2003/48/EC or any other European Directive implementing the conclusions of the ECOFIN Council Meeting dated 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to such Directive.

## 9 Events of Default

If any of the following events (each an “**Event of Default**”) has occurred or is continuing:

- (i) default by the Issuer in any payment when due of principal or interest in respect of any of the Notes if such default has not been remedied within 15 calendar days thereafter; or
- (ii) default by the Issuer in the performance of, or compliance with, any of its other obligations under the Notes (other than as referred to in Condition 9(i)), if such default has not been remedied within 30 calendar days after receipt by the Fiscal Agent of written notice of such default given by the Representative (as defined in Condition 11 and requiring the same to be remedied); or
- (iii) the Issuer makes any proposal for a general moratorium in relation to its debts; or applies for the appointment of a *mandataire ad hoc* under French bankruptcy law or enter into a conciliation procedure (*procédure de conciliation*) with its creditors; or a judgment is issued for the judicial liquidation (*liquidation judiciaire*) or for the transfer of the whole of the business (*cession totale de l'entreprise*) of the Issuer; or, to the extent permitted by applicable law, if the Issuer is subject to any other insolvency or bankruptcy proceedings; or if the Issuer is wound up or dissolved, except for the purposes of an amalgamation, reorganisation, consolidation, merger or spin-off which is implemented and the resulting entity of which assumes the obligations of the Issuer under the Notes; or any event which under the laws of any relevant jurisdiction has an analogous or equivalent effect to any of the events mentioned in this Condition 9(iii); or
- (iv) if the Issuer fails to pay any other present or future indebtedness of the Issuer for moneys borrowed or raised in an aggregate amount exceeding €5,000,000 or its equivalent in any other currency or currencies when it becomes due and repayable prior to its stated maturity by reason of a default in relation thereto or if any such indebtedness is not paid at maturity as extended by any applicable grace period or if any guarantee or indemnity in respect of any such indebtedness of any person given by the Issuer is not honored when due and called upon or within any applicable grace period as originally provided, and any such default has not been remedied within 30 calendar days thereafter, unless the Issuer contests in good faith that such indebtedness is due or the validity of the calling of the guarantee or indemnity, and such dispute has been submitted to a competent court, in which case such event shall not constitute an Event of Default hereunder so long as a definitive judgement has not been rendered;

then the Representative (as defined in Condition 11), may, pursuant to a majority decision of the General Meeting (as defined in Condition 11), by notice in writing to the Fiscal Agent given on behalf of any of the Noteholders, before all continuing Events of Default have been remedied, cause the Notes to become immediately due and payable, whereupon the Notes shall become immediately due and payable in cash without further formality on the tenth Business Day (as defined in Condition 6(j)) following the date of such notice at their principal amount plus any accrued interest up to the effective date of payment.

Notice of the fact that the Notes have become due and payable pursuant to this Condition 9 shall be given by the Issuer, failing whom the Representative, to the Noteholders in accordance with Condition 15 not later than the second Business Day (as defined in Condition 6(h)) following the date of the Representative's notice to the Fiscal Agent.

## 10 Prescription

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

## 11 Representation of Noteholders

In respect of the representation of the Noteholders, the following shall apply:

- (a) If the relevant Final Terms specifies "Full Masse", the 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**") and the provisions of the French *Code de commerce* relating to the *masse* shall apply subject to the below provisions of this Condition 11(a).

The names and addresses of the initial Representative (as defined below) 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 of the Noteholders (the "**General Meeting**").

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 Meeting

The place where of a General Meeting shall be held will be set out in the notice convening such General Meeting; or

- (b) If the relevant Final Terms specifies "Contractual Masse", the Noteholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a *Masse* which will be subject to the below provisions of this Condition 11(b).

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, L.228-65 II, R.228-63, R.228-67, R.228-69 and R.228-72 subject to the following provisions:

### (i) 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.

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.

(ii) **Representative**

The office of Representative may be conferred on a person of any nationality who agrees to perform such function. However, the following persons may not be chosen as Representatives:

- the Issuer, the members of its Board of Directors (*Conseil d'administration*), its general managers (*directeurs généraux*), its statutory auditors, or its employees as well as their ascendants, descendants and spouse; or
- companies guaranteeing all or part of the obligations of the Issuer, their respective managers (*gérants*), general managers (*directeurs généraux*), members of their Board of Directors (*Conseil d'administration*), Executive Board (*Directoire*), or Supervisory Board (*Conseil de Surveillance*), their statutory auditors, or employees as well as their ascendants, descendants and spouse; or
- companies holding 10 per cent. or more of the share capital of the Issuer or companies having 10 per cent. or more of their share capital held by the Issuer; or
- persons to whom the practice of banker is forbidden or who have been deprived of the right of directing, administering or managing an enterprise in whatever capacity.

The names and addresses of the initial Representative of the Masse and, if any, 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 Representative and the alternate Representative at the head office of the Issuer and the specified offices of any of the Paying Agents.

(iii) **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.

(iv) **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, time, place, agenda and quorum requirements of any General Meeting will be published as provided under Condition 15.

Each Noteholder has the right to participate in a General Meeting in person, by proxy, correspondence, or, if the *statuts* of the Issuer so specify\*, videoconference or any other means of telecommunication allowing the identification of the participating Noteholders. 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.

(v) **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; and any proposal relating to the issue of securities carrying a right of preference compared to the rights of Bondholders; 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 decide to convert Notes into shares.

General Meetings may deliberate validly on first convocation only if Noteholders present or represented hold at least a 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 rights 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 on the third business day in

\* *The statutes of the Issuer 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 (articles 18 and 25-paragraph IV of the statutes).*

Paris preceding the date set for the meeting of the relevant General Meeting at 0:00, Paris time.

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

(vi) **Information to Noteholders**

Each Noteholder or Representative thereof will have the right, during the 15-day period preceding the holding of each General Meeting, 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 during usual business hours and at any other place specified in the notice of the General Meeting.

(vii) **Expenses**

The Issuer will pay all reasonable 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.

(viii) **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, 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 “**outstanding**” shall not include those Notes subscribed or purchased by the Issuer pursuant to Article L.213-1 A of the Code that are held by it and not cancelled.

**12 Modifications**

These Conditions may be amended 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, Coupons and Talons**

If, in the case of any Materialised Bearer Notes, a Definitive Materialised Bearer Note, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and regulations of the Regulated Market on which the Notes are listed and admitted to trading, 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, 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, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Materialised Bearer Notes, Coupons or Talons must be surrendered before replacements will be issued.

## 14 Further Issues and Consolidation

- (a) **Further Issues:** The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes to be assimilated (*assimilées*) and form a single series 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 further notes provide for such assimilation and references in these Conditions to “Notes” shall be construed accordingly.
- (b) **Consolidation:** The Issuer may, with the prior approval of the Redenomination and Consolidation Agents, from time to time on any Interest Payment Date occurring on or after the Redenomination Date on giving not less than 30 days’ prior notice to the Noteholders in accordance with Condition 15, without the consent of the Noteholders 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) they are published (a) so long as such Notes are admitted to trading on any Regulated Market and the rules of such Regulated Market so permit, on the website of the Regulated Market where the admission is sought, which in the case of the Luxembourg Stock Exchange is expected to be the website of the Luxembourg Stock Exchange (*www.bourse.lu*) or, (b) at the option of the Issuer, in a leading daily newspaper of general circulation in Europe (which is expected to be the *Financial Times*). Provided that, so long as such Notes are listed and admitted to trading on any Regulated Market, notices shall be valid if published on the website of the Regulated Market on which such Notes is/are listed and admitted to trading, which in the case of the Luxembourg Stock Exchange is expected to be the website of the Luxembourg Stock Exchange (*www.bourse.lu*).
- (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 admitted to trading on any Regulated Market and the rules of such Regulated Market so permit, on the website of the Regulated Market where the admission is sought, which in the case of the Luxembourg Stock Exchange is expected to be the website of the Luxembourg Stock Exchange (*www.bourse.lu*) or, (b) at the option of the Issuer in a daily leading newspaper of general circulation in Europe (which is expected to be the *Financial Times*) and so long as such Notes are listed and admitted to trading on any Regulated Market, on the website of the Regulated Market on which such Notes is/are listed and admitted to trading, which in the case of the Luxembourg Stock Exchange is expected to be the website of the Luxembourg Stock Exchange (*www.bourse.lu*).
- (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 as provided above. Holders of Coupons 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.

- (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 as required by Conditions 15 (a), (b) and (c) above; except that (i) so long as such Notes are listed on any stock exchange(s) and the rules applicable to that stock exchange so require, notices shall also be published in a daily newspaper with general circulation in the city/ies where the stock exchange(s) on which such Notes is/are listed and (ii) notices relating to the convocation and decision(s) of the General Meetings pursuant to Condition 10 shall also be published in a leading newspaper of general circulation in Europe.

## **16 Governing Law and Jurisdiction**

- (a) **Governing Law:** The Notes (and, where applicable, the Coupons and the Talons) and any non-contractual obligation arising out of or in connection with the Notes are governed by, and shall be construed in accordance with, French law.
- (b) **Jurisdiction:** Any claim against the Issuer in connection with any Notes, Coupons or Talons may be brought before any competent court in Paris.

## **TEMPORARY GLOBAL CERTIFICATES ISSUED IN RESPECT OF MATERIALIZED BEARER NOTES**

### **Temporary Global Certificates**

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 depositary for Euroclear and Clearstream, Luxembourg (the “**Common Depositary**”), Euroclear or Clearstream, Luxembourg will credit the accounts of each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

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

### **Exchange**

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

- (i) 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 “General Description of the Programme - Selling Restrictions”), in whole, but not in part, for the Definitive Materialised Bearer Notes and
- (ii) otherwise, in whole but not in part upon certification as to non-U.S. beneficial ownership in (a form of which shall be available at the specified offices of any of the Paying Agents) for Definitive Materialised Bearer Notes.

### **Delivery of Definitive Materialised Bearer Notes**

On or after its Exchange Date, the holder of a Temporary Global Certificate may surrender such Temporary Global Certificate to or to the order of the Fiscal Agent. In exchange for any Temporary Global Certificate, 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 in respect of interest 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 requirements of the Regulated Market. Forms of such Definitive Bearer Materialised Notes shall be available at the specified offices of any of the Paying Agent(s).

### **Exchange Date**

“**Exchange Date**” means, in relation to a Temporary Global Certificate, the day falling after the expiry of 40 days after its issue date, provided that, in the event any further Materialised Notes are issued prior to such day pursuant to Condition 14(a), the Exchange Date shall be postponed to the day falling after the expiry of 40 days after the issue of such further Materialised Notes.

## **USE OF PROCEEDS**

The net proceeds of the issue of the Notes will be used for the Issuer's general corporate purposes. If in respect of any particular issue of Notes, there is a particular identified use of proceeds, this will be stated in the relevant Final Terms.

## SELECTED FINANCIAL INFORMATION

<b>Consolidated financial data (€m)</b>	<b>As of 31/12/2011</b>	<b>As of 31/12/2010</b>	<b>As of 30/06/2012</b>	<b>As of 30/06/2011</b>
Shareholder's equity	7,913	7,965	7,543	7,279
Consolidated net financial debt	8,412	6,565	9,018	9,775
Total balance sheet	32,074	28,594	31,658	30,036

<b>Consolidated financial data (€m)</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>First half 2012</b>	<b>First half 2011</b>
Net sales from continuing operations	35,057	29,780	17,681	16,480
EBITDA <sup>1</sup>	2,315	1,965	1,010	932
Current operating income	1,551	1,286	632	563
Net income from continuing operations, Group share	21	4	(123)	(56)
Net income, Group share	15	(1)	(124)	(57)

As at July 2, 2012, the effect of the takeover of GPA on net financial debt was estimated at €1,059 million, including the full consolidation of GPA's debt as well as the put options debts granted to the Diniz family.

### **Effect of the takeover of GPA on net financial debt as at July 2, 2012**

Non-current financial liabilities	1755
Current financial liabilities	571
<b>Financial Liabilities</b>	<b>2326</b>
Cash and cash equivalents	(1267)
<b>Net financial debt impact</b>	<b>1059</b>

<sup>1</sup> Earnings before interest, tax, depreciation and amortization

## DESCRIPTION OF THE ISSUER

### Introduction

**Rallye**, a French *société anonyme*, is registered with the *Registre du Commerce et des Sociétés* of Paris under number 054 500 574. Its registered office is located at 83, rue du Faubourg Saint-Honoré, 75008 Paris, France. The phone number of Rallye's switchboard is +33 1 44 71 13 73.

### Legal form

Rallye was incorporated on January 20, 1925. Its term, which was extended on December 31, 1974, will expire on December 31, 2064 unless the Issuer is wound up before this date, or its terms further extended. It is governed by Book II of the French *Code de Commerce*.

### Corporate objects of Rallye

- To take equity interests in any French or foreign business, whatever its legal form or purpose, and to manage these interests;
- to provide administrative, accounting, legal, financial, IT, commercial or other services to further the interests of any company, as well as public relations services;
- to acquire and manage all types of real property;
- to undertake any form of business, commission, or brokerage in its own name, or on behalf of others;
- and, in general, to undertake any commercial, industrial, real estate, personal property or financial transactions either directly or indirectly related, or likely to be of use, to the Company's purpose or to help in its attainment.

It may, in France or abroad, create, acquire, operate or cause to be operated any brand of manufacture, trade, or service, any model or design, any patent or manufacturing process related to the above purpose.

It may act in any country, either directly or indirectly, on its own account or on behalf of others, alone or in association, participation, grouping or company, in conjunction with any other person or company, and it may carry out the transactions necessary to its purpose, under any form.

The corporate objects of the company are described in the article 3 of the *statuts* (by-laws) of the Issuer.

### Business overview

Rallye is present in the food and specialised retail sectors through its majority interests in Casino Guichard-Perrachon and Groupe Go Sport. Rallye also manages an investment portfolio with financial and real estate assets.

The Rallye Group's current structure is the result of the reorganization undertaken in 1992 and 1993, which notably involved:

- the transfer to the Casino group of all hypermarket, supermarket and cafeteria divisions;
- the merger and absorption of parent companies Rallye SA and Coficam and of SMPO and Record Carburants. After the mergers, the acquiring company, Genty-Cathiard, changed its name to Rallye;
- a transfer of real property assets by Foncière Euris.

The latest changes in the structure result from the share exchange offer on Casino shares, launched in September 1997, the merger-absorption of Go Sport by Courir, now known as Groupe Go Sport, on December 27, 2000.

Rallye provides no management services to its operating subsidiaries. However, it receives technical and strategic support from Euris, the Group's parent company.

Rallye is listed on Euronext Paris and has a market capitalization of €1.06 billion as at 30 June 2012.

## RECENT DEVELOPMENTS

### PRESS RELEASES

For Casino:

**29 July 2012**

#### **Casino and Galeries Lafayette announce signing of a transaction agreement in relation to Monoprix**

Following the letter of intent signed on 28 June 2012 between Casino and Galeries Lafayette, the two groups have signed, on July 26th 2012, a transaction agreement in respect of the 50% stake held by Galeries Lafayette in Monoprix according to the terms disclosed in the press release dated 29th June 2012.

The acquisition by Casino will take place after the authorization process by the French Competition Authority is completed.

**30 July 2012**

#### **Casino: successful bond issue of €650 million**

Casino successfully issued a new 7-year bond of €650 million.

This operation, which strengthens the Group's liquidity, is intended to refinance the next debt repayments of the Group. It extends the average maturity of Casino's bond debt to 4.8 years today (vs. 4.6 years as of the end of June).

This new bond, which will pay a coupon of 3.157%, has been significantly oversubscribed by a diversified investor base. This coupon is the lowest ever achieved by the Group in a bond issue.

Casino is rated BBB- stable by Standard & Poor's and Fitch Ratings.

Bank of Tokyo Mitsubishi, Citibank, Crédit Agricole Corporate and Investment Bank, Natixis, RBS and Société Générale acted as joint bookrunners

**23 August 2012**

#### **Casino acquired one million voting shares of Wilkes**

Following the exercise by the Diniz family of its First Put Option as provided for in the agreements between Casino and the Diniz Family, one million voting shares of Wilkes were transferred to Casino on August 22, 2012.

Casino now holds 52.5% of the voting capital and 70.4% of the total capital of Wilkes, GPA's holding company.

**17 September 2012**

**Evolution in Mercialys management**

After ten years within the Casino Group, during which he brought a strong contribution to its real estate development, Jacques Ehrmann leaves his positions as director of Casino's real estate activities and Chairman and Chief Executive Officer of Mercialys.

Going forward, he will provide his expertise to both companies through an external advisory role.

Today, the Board of Directors of Mercialys appointed, on an interim basis, Géry Robert-Ambroix, previously Deputy Chief Executive Officer to the position of Chief Executive Officer and Michel Savart, Director of Mercialys to the position of Chairman of the Board of Directors. In parallel, the process of selecting a new permanent Chairman and Chief Executive Officer has been initiated.

The Group's real estate division will be managed on an interim basis by André Lucas, Chief Executive Officer of Casino's hypermarkets and supermarkets division as well as Vincent Rebillard Director of Immobilière Groupe Casino since 2011.

Géry Robert-Ambroix, together with all the members of Mercialys' Executive Committee will continue to pursue the company's successful strategy over the last seven years, notably through the implementation of the "Foncière Commercante", the deployment of the "Esprit Voisin" project and the €500 million assets disposal plan.

The development of Mercialys continues with the support of the Casino Group which is at the same time accelerating its development abroad, particularly in Colombia and Brazil.

Michel Savart, Director of Mercialys since 2005, is also Chief Executive Officer of Foncière Euris.

Géry Robert-Ambroix, Deputy Managing Director of Mercialys since 2005, has served since 1998 at various leading positions in the management of real estate assets.

15 October 2012

**CASINO GROUP: THIRD QUARTER 2012 SALES**

- **Strong growth in sales at €11.8 billion (+35.2%), driven by International, which now makes up 60.4% of the Group's operations**
- **Sustained organic\* growth up in Q3 over Q2 2012: +4.2% (vs. +3.4% in Q2 2012)**
  - ✓ **Internationally**, very good performance (+8.8%) in sequential acceleration over Q2 2012 (+7.7%)
  - ✓ In **France**, business is resilient (+0.2%), boosted by the excellent performance of Cdiscount (+22.8%) and by the improved trends on convenience and discount formats.

**EVOLUTION OF THE GROUP'S CONSOLIDATED NET SALES IN THE 3<sup>RD</sup> QUARTER OF 2012**

<i>Consolidated net sales (before tax)</i>	Q3 2011	Q3 2012	<i>Evolution Q3 2012/Q3 2011</i>	
	in €m	in €m	<i>Growth</i>	<i>Organic growth<sup>1</sup></i>
<b>Total continuing operations</b>	8,705	11,767	+35.2%	+4.2%
France	4,737	4,663	-1.6%	+0.2%
International	3,968	7,104	+79%	+8.8%

**In the third quarter of 2012**, the **Group's** consolidated sales were up **+35.2%**. Organic growth\* was steady at **+4.2%** (+3.8% including petrol and calendar effect). Group same-store sales increased **+2.2%** excluding petrol.

Changes in scope positively contributed +33.9%, primarily under the impact of the full consolidation of GPA as of 2 July 2012. Foreign-exchange rates had an unfavourable impact of -2.5%. The petrol effect was minimal for the quarter. The calendar effect was negative in France (-0.8%) and nil internationally.

<sup>1</sup>Excluding petrol and calendar effect; organic growth is growth at constant scope of consolidation and exchange rates.



### In France, resilient sales on an organic basis

In France, organic growth was **+0.2%** in the third quarter excluding calendar, up sequentially over Q2 (-0.5%). Reported sales declined by -1.6% after factoring in the deconsolidation of a master franchisee at Franprix-Leader Price.

- ✓ Despite a soft consumer environment, **convenience** formats posted satisfactory results. Sales for Monoprix, Casino supermarkets and superettes continue to grow on an organic basis. Total sales for superettes are improving (+0.1% and +0.6% excluding calendar effect), compared to a decline of -2.9% in Q2 2012.
- ✓ **Franprix-Leader Price** posted stable sales on an organic basis, excluding the calendar effect, an improvement over the previous quarter (-1.3%).
- ✓ **Géant's** performance was affected by the decline in non-food, in particular on multimedia. The banner continues and accelerates the reduction of its non-food selling areas.
- ✓ Inversely, **Cdiscount** stepped up its growth (**+22.8%**), benefiting from excellent performance during the summer sales.
- ✓ In all, **non-food sales** by Géant and Cdiscount grew **+2.2%** in the third quarter.

### International: continued strong organic growth: +8.8%

Casino Group's international subsidiaries generated strong growth once again this quarter. Sales rose **+8.8%** on an organic basis excluding the calendar effect. Total sales for International subsidiaries, which rose **+79%**, also benefited from the full consolidation of GPA.

The foreign-exchange effect had a negative impact of -5.5% on international sales in the third quarter 2012.

- ✓ **Latin America** posted strong organic growth of **+9.6%**, driven by high same-store growth in Brazil and dynamic expansion in Colombia.
- ✓ Organic growth for **Asia** is still very significant at **+10.2%**, due to the sustained pace of expansion, especially in Thailand, where same-store growth improved in the third quarter.

Total **International** sales accounted for **60.4% of Group sales** over the period, compared with 46% in Q3 2011.

\*\*\*\*\*

### FRANCE: SALES ANALYSIS - Q3 2012

Sales in **France** came to **€4,663 million** in the third quarter of 2012, an increase of **+0.2%** in organic growth, excluding petrol and the calendar effect.

#### Sales growth

<i>In €m</i>			Reported growth	Organic growth <sup>1</sup>	
	Q3 2011	Q3 2012	Q3 2012	Q3 2012	Q2 2012
<b>Net sales before tax - France</b>	4,737	4,662.9	-1.6%	+0.2%	-0.5%
<b>Casino France</b>	3,237.1	3,201.1	-1.1%	+0.1%	-0.7%
Géant Casino hypermarkets	1,463.1	1,358.0	-7.2%	-7%	-5.9%
Casino supermarkets	970.9	1,001.3	+3.1%	+3.5%	+3.5%
Superettes	426.9	427.1	+0.1%	+0.6%	-3.2%
Cdiscount & Other businesses	376.2	414.6	+10.2%	+14.2%	+9.1%
<b>Franprix – Leader Price</b>	<b>1,044.4</b>	<b>1,003.2</b>	-3.9%	+0%	-1.3%
<b>Monoprix</b>	<b>455.5</b>	<b>458.6</b>	+0.7%	+1.4%	+1.5%

#### Evolution in same-store sales, excluding petrol

	excluding calendar effect		
	Q3 2012	Q3 2012	Q2 2012
Géant Casino hypermarkets	-6.3%	-5.4%	-4%
Casino supermarkets	-2.6%	-1.7%	-1.4%
Franprix	-2.7%	-2.6%	-3%
Leader Price	-1.6%	+0.1%	-2.8%
Monoprix	-0.6%	+0.2%	+0.5%

<sup>1</sup> Excluding petrol and calendar effect

- **Casino France**

Same-store sales\* excluding petrol for **Géant Casino** were down -5.4%\*. During the quarter, Géant suffered notably from the impact of unfavourable weather and from the ongoing trend on **non-food**.

In a context of soft consumption, same-store **food** sales were down -2.9%<sup>1</sup>.

**Non-food** same-store sales fell by -7.3%\*, without multimedia, for which the banner pursues the reduction of sales areas at an accelerated pace.

At the end of Q3, the banner already reached its annual target by reducing by 7.5% the non-food sales area of 80 stores.

Total sales area of hypermarkets will decrease by 2.4% in 2012.

Excluding petrol and calendar effect, organic growth in sales in **Casino Supermarkets** was up +3.5%. The banner has kept up its strategy of excellence in fresh goods and rollout of local products labelled "Le Meilleur d'ici" ("the Best from Here"), as well as highlighting its own private label, whose performance over the quarter was satisfactory. Total sales grew +3.1%. Same-store sales excluding the calendar effect were down -1.7%.

Sales in **superettes** are posting +0.6% organic growth (excluding the calendar effect), marking an improvement over Q2 2012. This performance was sustained by expansion, with Casino having opened 61 stores. 2 Petit Casino have been converted into Casino Shop. Moreover, since July, 17 Coop d'Alsace stores have joined the Casino proximity network. In total 48 Coop d'Alsace are affiliated.

**Cdiscount** sales rose +22.8% because of excellent performances obtained during the most recent sales. All product categories are developing very dynamically. The market place continues its growth, in line with the plan, making it possible to expand the total number of offers available on the Cdiscount website to 900,000, of which 100,000 are sold directly by Cdiscount. It already represents more than 7% of total business volume, which is up by 30%. Sales via m-commerce (smartphones and tablets) have increased faster than activity.

The Group has continued to roll out its multi-channel strategy over the third quarter, completing the number of pick-up points in its stores. There are now a total of **2,450** points for packages under 30 kg, and **450** points for packages over 30 kg.

Total **non-food** sales (cumulative) in France by **Géant and Cdiscount** rose +2.2% over Q3.

- **Franprix – Leader Price**

**Leader Price** posted an increase of +0.1% in its same-store sales, excluding the calendar effect, an improvement over H1 2012. Sales & marketing activities initiated since the start of the year, from the standpoint of both assortment and pricing, are ongoing, and their good results are validating Leader Price's recent strategic trend. 12 stores have opened since the year began, of which 4 over the period. The rollout of Cdiscount pick-up points continues satisfactorily, with 150 pick-up points currently in place.

Sales for **Franprix** rose +0.1% on an organic basis excluding the calendar effect for the quarter, an improvement compared with the previous quarter. Sales benefited notably from the improvement in private label performance. The loyalty card is also being rolled out throughout the store network. The banner has opened 7 stores over the period. Same-store sales exclusive of the calendar effect were down -2.6%, compared with -2.9% in Q2 2012.

<sup>1</sup> Excluding calendar (-0.9% over Q3) and restated for the transfer of four hypermarkets to Casino Supermarkets

Total **Franprix-Leader Price** sales were down -3.9% after factoring in the deconsolidation of a master franchisee.

- **Monoprix**

Sales at **Monoprix** rose +1.4% on an organic basis excluding the calendar effect. In a difficult market, the clothing, drugstore and beauty corners posted good performance in September. Online food sales also recorded very strong growth. Same-store growth excluding the calendar effect was +0.2%, in line with Q2 (+0.5%). Monoprix opened 7 stores over the period.

### INTERNATIONAL: SALES ANALYSIS - Q3 2012

Consolidated sales at International subsidiaries rose substantially by +79%.

**Scope** effects had a positive impact of +75.6%, related to the full consolidation of GPA.

**Exchange rates** had an unfavourable impact of -5.5%, resulting primarily from the Brazilian real's sharp depreciation against the euro.

Once again, **organic growth** was very high at +8.8%\*, an improvement over Q2 (+7.7%), driven by good performance in both Latin America and Asia.

### Change in International sales growth in Q3 2012

	Reported growth	Organic growth <sup>1</sup>	Same-store growth
Latin America	+98.7%	+9.6%	+7.5%
Asia	+19.9%	+9.8%	+3.5%

**In Latin America**, same-store sales showed steady growth of +7.5%, reflecting especially GPA's good performance. Organic growth was +9.6%, boosted by continued rapid expansion, particularly in Colombia. In all, sales rose 98.7%, primarily under the impact of the full consolidation of GPA.

- **GPA in Brazil**

In **Brazil**, **GPA** posted same-store sales up +8.1%.

Same-store sales for GPA Food were up +6.8%<sup>2</sup>, driven by the success of the new Assaí cash & carry format which shows excellent performance. Minimercado Extra proximity stores benefited from the latest effects of the conversion of Extra Facil stores to that format, while the other food banners benefited from the conversion of Sendas and Comprebem stores in Q3 2011. The group pursued its policy of innovation over the quarter, notably by launching its first virtual storefront in São Paulo. Expansion pace was

<sup>1</sup> Excluding petrol and calendar effect

<sup>2</sup> Gross same-store sales published by GPA.

accelerated with the opening of 15 new stores during the quarter (i.e. +2.4%\* in square meters): 3 hypermarkets, 4 supermarkets and 8 Minimercado were opened.

Same-store sales for Viavarejo increased +7.5%\*, driven by significant sales initiatives and the extension of tax incentives on purchases of household appliances and furnishings. The assortment in store also improved. The expansion continued in Q3, with the opening of 9 Casas Bahia stores.

- **Exito in Colombia**

Total sales for Exito grew strongly in the third quarter, under the combined influence of high organic growth and a favourable foreign-exchange and calendar effect. Exito benefited from the rapid expansion of its store network. The strengthening of private labels had a positive effect on sales, as did the continued development of activities complementary to retail (specifically credit and insurance).

The expansion of **Exito** was focused on the development of convenience and discount stores, with the opening of 5 Exito Express, 6 Surtimax, 1 Exito supermarket and 1 Exito hypermarket.

*Exito's Q3 earnings will be released on 24 October 2012.*

**In Asia**, same-store growth came out at +3.5%. **Organic** growth in sales excluding the calendar effect maintained a high level of +9.8%. Total sales grew +19.9%.

- **Big C Thailand**

**Big C** posted **organic sales growth** excluding calendar of +7.6%. Big C's same-store performance was robust at +3.6%, thanks to the very good results of promotional operations during the quarter, including the 19<sup>th</sup> anniversary of the banner, the success of the Extra premium concept, and the roll-out of the loyalty card. The promotional operations contribute to reinforce the leadership of Big C on the low prices. The roll-out of the partnership with service-station operator Bangchak continues, with the opening of pilot stores in the area around Bangkok. Big C continues to finalise the resolution of logistical and procurement problems caused by the floods in late 2011.

Expansion has had an increased contribution to organic growth, with the opening of 3 hypermarkets and many convenience formats over the quarter: 3 supermarkets, 15 Mini Big C and 15 Pure.

- **Big C Vietnam**

**Big C Vietnam** continued to post **very strong growth** in its sales on an **organic basis**, driven by recent expansion efforts. The banner has opened 1 hypermarket and 1 shopping mall during the quarter. Sales from the latest stores and malls to open have been very satisfactory. Over the quarter, Big C launched a private label offering regional, in-season fresh goods, and continued to roll out its loyalty programme.

In the **Indian Ocean**, same-store sales were down due to an unfavourable economic context in La Réunion.

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## PERSPECTIVES

In **France**, in a backdrop of soft consumption, the Group will continue to deploy its actions plan aiming at controlling its costs and reinforcing its operating excellence, in particular in hypermarkets. Expansion will continue in buoyant formats and channels, i.e. convenience, discount and e-commerce.

**Internationally**, where the Group holds leading or co-leading positions on high-potential markets, organic growth should continue at a sustained pace, based upon a strong commercial dynamic and expansion.

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### ***Disclaimer***

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## APPENDICES

### Main changes in the scope of consolidation

- **Change in GPA stake, fully consolidated since July 2012. GPA was consolidated at 43.1% as of 30 September 2011.**
- **Full consolidation of DSO into Franprix - Leader Price from February 2011 to August 2011.**
- **Full consolidation of BARAT into Franprix - Leader Price from March 2012.**
- **Full consolidation of companies owning 21 stores within the Franprix - Leader Price Group as of July 2012.**

	Third quarter		Change		9 months		Change	
	2011 €m	2012 €m	Reported	At constant exchange rates	2011 €m	2012 €m	Reported	At constant exchange rates
<b>FRANCE</b>	4,737.0	4,662.9	-1.6%	-1.6%	13,839.2	13,689.3	-1.1%	-1.1%
<i>Of which:</i>								
<b>Casino France</b>	3,237.1	3,201.1	-1.1%	-1.1%	9,103.7	9,063.1	-0.4%	-0.4%
Géant Casino hypermarkets	1,463.1	1,358.0	-7.2%	-7.2%	4,100.5	3,906.3	-4.7%	-4.7%
Casino supermarkets	970.9	1,001.3	+3.1%	+3.1%	2,713.5	2,800.8	+3.2%	+3.2%
Superettes	426.9	427.1	+0.1%	+0.1%	1,142.0	1,140.4	-0.1%	-0.1%
Other businesses	376.2	414.6	+10.2%	+10.2%	1,147.6	1,215.5	+5.9%	+5.9%
<b>Franprix – Leader Price</b>	1,044.4	1,003.2	-3.9%	-3.9%	3,303.3	3,161.2	-4.3%	-4.3%
<b>Monoprix</b>	455.5	458.6	+0.7%	+0.7%	1,432.2	1,465.1	+2.3%	+2.3%
<b>INTERNATIONAL</b>	3,968.0	7 104,1	+79%	+84.6%	11,009.5	15,425.6	+40.1%	+41.8%
<i>Of which:</i>								
<b>Latin America</b>	3,044	6,049.8	+98.7%	+108.2%	8,229.6	12,306.2	+49.5%	+53.7%
<b>Asia</b>	708.6	849.6	+19.9%	+10.2%	2,139.4	2,491.0	+16.4%	+9.1%
<b>Other sectors</b>	215.4	204.7	-5%	-5.2%	640.5	628.4	-1.9%	-2.2%
<b>NET SALES FROM CONTINUING OPERATIONS</b>	8,705	11,767.0	+35.2%	+37.7%	24,848.6	29,114.9	+17.2%	+17.9%

If Casino group had become sole controlling shareholder of GPA on 1 January 2012 (full consolidation at 100% of GPA from this date), Latin America total sales under the period ended on 30 September 2012 would have been €14,755.4m, bringing the total Group sales to €34,983.6m.

### Exchange rates

<i>Average exchange rates</i>	<b>H1 2011</b>	<b>H1 2012</b>	<b>Change</b>	<b>9-month 2011</b>	<b>9-month 2012</b>	<b>Change</b>
Argentina (ARS / EUR)	0.176	0.176	<b>-0.3%</b>	0.174	0.175	<b>+0.5%</b>
Uruguay (UYP / EUR)	0.037	0.039	<b>+4.0%</b>	0.037	0.038	<b>+2.5%</b>
Thailand (THB / EUR)	0.023	0.025	<b>+5.7%</b>	0.023	0.025	<b>+6.6%</b>
Vietnam (VND / EUR) (x1,000)	0.035	0.037	<b>+5.5%</b>	0.035	0.038	<b>+7.5%</b>
Colombia (COP / EUR) (x1,000)	0.388	0.430	<b>+10.8%</b>	0.390	0.435	<b>+11.4%</b>
Brazil (BRL / EUR)	0.437	0.414	<b>-5.3%</b>	0.436	0.407	<b>-6.6%</b>

**Organic growth:** the organic growth is at constant scope of consolidation and exchange rates.



**PERIOD-END STORE NETWORK: FRANCE**

FRANCE	31 Dec. 2011	30 June 2012	30 Sept. 2012
<b>Géant Casino hypermarkets</b>	<b>127</b>	<b>123</b>	<b>125</b>
<i>Of which French Affiliates</i>	8	8	9
<i>International Affiliates</i>	5	5	6
+ service stations	101	97	97
<b>Casino supermarkets</b>	<b>422</b>	<b>434</b>	<b>439</b>
<i>Of which French Affiliates</i>	51	54	55
<i>International Franchise Affiliates</i>	32	35	39
+ service stations	170	172	172
<b>Franprix supermarkets</b>	<b>897</b>	<b>897</b>	<b>894</b>
<i>Of which Franchise outlets</i>	379	384	387
<b>Monoprix supermarkets</b>	<b>514</b>	<b>523</b>	<b>527</b>
<i>Of which Naturalia</i>	55	60	61
<i>Of which Franchise outlets/Affiliates</i>	130	131	133
<b>Leader Price discount stores</b>	<b>608</b>	<b>599</b>	<b>601</b>
<i>Of which Franchise outlets</i>	271	256	238
<b>Total supermarkets and discount stores</b>	<b>2,441</b>	<b>2,453</b>	<b>2,461</b>
<i>Of which Franchise outlets/Stores operated under business leases</i>	863	860	852
<b>Petit Casino superettes</b>	<b>1,758</b>	<b>1,707</b>	<b>1,657</b>
<i>Of which Franchise outlets</i>	29	26	26
<b>Casino Shopping superettes</b>	<b>6</b>	<b>10</b>	<b>10</b>
<b>Casino Shop superettes</b>	<b>16</b>	<b>27</b>	<b>29</b>
<b>Eco Services superettes</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Coop Alsace superettes</b>		<b>31</b>	<b>48</b>
<i>Of which Franchise outlets</i>		31	48
<b>Spar superettes</b>	<b>956</b>	<b>972</b>	<b>969</b>
<i>Of which Franchise outlets</i>	755	748	747
<b>Vival superettes</b>	<b>1,752</b>	<b>1,708</b>	<b>1,699</b>
<i>Of which Franchise outlets</i>	1,750	1,706	1,698
<b>Casitalia and C'Asia superettes</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Other Franchise stores</b>	<b>1,134</b>	<b>1,109</b>	<b>1,104</b>

<i>Corner, Relay, Shell, Elf, Carmag...</i>	1,134	1,109	1,104
<b>Wholesale activity</b>	<b>937</b>	<b>935</b>	<b>935</b>
<b>TOTAL CONVENIENCE STORES</b>	<b>6,561</b>	<b>6,501</b>	<b>6,453</b>
<i>Of which Franchise outlets/Stores operated under business leases/Wholesale</i>	4,606	4,556	4,559
<b>Other Affiliate stores</b>	<b>26</b>	<b>28</b>	<b>29</b>
<i>Of which French Affiliates</i>	18	19	19
<i>International Affiliates</i>	8	9	10
<b>Other businesses</b>	<b>295</b>	<b>304</b>	<b>308</b>
<i>Cafeterias</i>	293	302	306
<i>Cdiscount</i>	2	2	2
<b>TOTAL France</b>	<b>9,450</b>	<b>9,409</b>	<b>9,376</b>
Hypermarkets (HM)	127	123	125
Supermarkets (SM)	1,833	1,854	1,860
Discount (DIS)	608	599	601
Superettes (SUP) and other stores (MAG)	6,587	6,529	6,482
Other (DIV)	295	304	308

#### PERIOD-END STORE NETWORK: INTERNATIONAL

<b>International</b>	<b>31 Dec. 2011</b>	<b>30 June 2012</b>	<b>30 Sept. 2012</b>
<b>ARGENTINA</b>	<b>24</b>	<b>24</b>	<b>23</b>
Libertad hypermarkets	15	15	15
Other businesses	9	9	8
<b>URUGUAY</b>	<b>52</b>	<b>52</b>	<b>52</b>
Géant hypermarkets	1	1	1
Disco supermarkets	27	27	27
Devoto supermarkets	24	24	24
<b>BRAZIL</b>	<b>1,571</b>	<b>1,575</b>	<b>1,589</b>
Extra hypermarkets	132	134	137
Pao de Açucar supermarkets	159	159	160
Extra Perto supermarkets	204	204	207

Assai discount stores	59	59	59
Extra Facil and Minimercado Extra superettes	72	69	77
Casas Bahia discount stores	544	547	556
Ponto Frio	401	403	393
<b>THAILAND</b>	<b>221</b>	<b>268</b>	<b>304</b>
Big C hypermarkets	108	109	112
Big C supermarkets	12	15	18
Mini Big C superettes	51	75	90
Pure	50	69	84
<b>VIETNAM</b>	<b>23</b>	<b>24</b>	<b>30</b>
Big C hypermarkets	18	18	19
New Cho superettes	5	5	7
C Express superettes	0	1	4
<b>INDIAN OCEAN</b>	<b>53</b>	<b>53</b>	<b>53</b>
Jumbo hypermarkets	11	11	11
Score/Jumbo supermarkets	22	22	22
Cash and Carry supermarkets	5	5	5
Spar supermarkets	8	8	7
Other businesses	7	7	8
<b>COLOMBIA</b>	<b>351</b>	<b>383</b>	<b>395</b>
Exito hypermarkets	80	84	85
Pomona, Carulla, Exito supermarkets	130	133	134
Surtimax discount stores	78	89	94
Exito Express and Carulla Express superettes	54	69	74
Ley and others	9	8	8
<b>TOTAL INTERNATIONAL</b>	<b>2,295</b>	<b>2,379</b>	<b>2,446</b>
Hypermarkets (HM)	365	372	380
Supermarkets (SM)	591	597	604
Discount (DIS)	137	148	153
Superettes (SUP)	182	219	252
Other (DIV)	1,020	1,043	1,057

**30 November 2012**

**Jean-Charles Naouri is appointed Chairman and CEO of Monoprix**

The Board of Directors of Monoprix held on 30<sup>th</sup> November 2012 has appointed Jean-Charles Naouri as Chairman and Chief Executive Officer in replacement of Philippe Houzé.

As proposed by Jean-Charles Naouri, the Board of Directors confirmed Stéphane Maquaire in his position as Deputy Chief Executive Officer, thus renewing its full trust in the management of Monoprix.

The Board of Directors expressed its thanks to Philippe Houzé for his large contribution to the development and to the success of Monoprix throughout the past years.

Pursuant to the transaction agreement signed between Casino and Galeries Lafayette on 26<sup>th</sup> July 2012, the acquisition by Casino of the 50% stake held by Galeries Lafayette will take place in 2013, after completion of the ongoing authorization process by the French Competition Authority.

For Groupe GO Sport:

**20 July 2012**

**Loïc Le Borgne becomes General Manager of Groupe GO Sport**

Groupe GO Sport's Board of Directors met on July 19, 2012 and decided, on the recommendation of the Appointments and Compensation Committee, to appoint Mr Loïc Le Borgne as General Manager for the company, as a replacement for Mr François Neukirch.

Aged 51, Mr Loïc Le Borgne has close to thirty years of experience in the retailing business. After 21 years at Auchan (1984-2005), mainly as hypermarkets Director, Purchasing Unit Director and Regional Director, he then joined the clothing retailer Kiabi in 2005 as Manager for French activities. Since 2011, he has been Manager for International activities of Kiabi.

Following the €30m capital increase that took place at the end of May 2012, the Board of Directors now wishes to initiate a new phase in the Group's recovery, mainly by accelerating both banners' sales recovery. Mr Loïc Le Borgne will rely on the current management team to implement this new phase.

**23 July 2012**

**Senior management Compensation**

*(Published in application of the AFEP-MEDEF code of corporate governance for listed companies and in accordance with article R-225-34-1 of the French Code of Commerce)*

The Board of Directors met on July 19, 2012 and decided, following the recommendation of the Appointments and Compensation Committee, to appoint Mr Loïc LE BORGNE as General Manager of the company. As such, the board also decided to grant him:

- A gross annual fixed compensation of €320.000
- A variable compensation, to a maximum of 72% of his gross annual fixed compensation, delivered according to the achievement of quantitative annual objectives, for two thirds of the compensation, and qualitative objectives, for one third. These objectives are still to be determined. This variable compensation is totally guaranteed for the first twelve months (thus amounting to €230.000) and will be paid after one year of presence, in July 2013

In case Mr Loïc LE BORGNE leaves the company, he will be bound by a non-competition and non-solicitation obligation which will apply for two years following his departure from the company, in all countries where Groupe

GO Sport and its subsidiaries are implanted, unless Groupe GO Sport relinquishes it. In return, he will receive compensation equal to twelve months of his last gross annual fixed compensation.

If Mr Loïc LE BORGNE is revoked from his General Manager functions during the first twelve months of his mandate, he will receive, except in case of gross or willful misconduct, a departure fee equal to twelve months of his gross annual compensation, including both fixed and guaranteed variable parts for this period, thus a total of €550.000.

The Board, following the Committee's recommendation and in accordance with article L 225-42-1 of the French Code of Commerce, decided to make this fee depend on a set of performance targets. It will thus only be paid if the sales (tax included) of Groupe GO Sport stores do not go down by more than 15% during the 6 months preceding his departure, on a date to date basis.

Mr Loïc LE BORGNE will benefit from a company car, accommodation near the company head office, and affiliation to an unemployment insurance which is specific to corporate officers (GSC).

The Board also decided, after agreement from the Appointments and Compensation Committee, to determine the variable compensation for the year 2012 of Mr Pierre LETZELTER, Chairman of the Board, according to the completion of qualitative objectives, to a maximum amount of €150.000.

For Rallye:

**6 September 2012**

**2012 Interim dividend with option in shares**

Rallye's Board of Directors held on 6 September 2012 approved an interim dividend of €0.80 per share for 2012, which will be paid on 10 October 2012. Shareholders will be given the option for the total of the interim dividend to be paid in shares. The issue price for the new shares was set at €21.17, corresponding to 90% of the average opening share price of the twenty trading days prior to 6 September 2012, less the interim dividend amount.

**Investor calendar:**

- Gross amount: €0.80
- Record date: Friday September 14, 2012 after stock market closing
- Ex-date: Monday September 17, 2012
- Exercise period of the option: from Monday September 17, 2012 to Friday September 28, 2012
- Payment / delivery date: 10 October 2012

**8 October 2012**

**Interim dividend reinvestment option in shares result**

Rallye's Board of Directors held on 6 September 2012 approved an interim dividend of €0.80 per share for 2012. Shareholders have been given the option for the total of the interim dividend to be paid in shares. The issue price for the new shares was set at €21.17, corresponding to 90% of the average opening share price of the twenty trading days prior to 6 September 2012, less the interim dividend amount.

85% of the rights have been exercised in favour of this option.

The result of the dividend reinvestment option allows Rallye to increase its shareholders' equity by € 32.7 millions with the issuance of 1,501,723 new shares, which will be delivered and admitted for trading on Euronext Paris on October 10, 2012.

The new shares issued will be immediately assimilated to the existing shares.

The cash dividend, which amounts to a total of € 5.7 millions, will be paid on October 10, 2012.

15 October 2012

## 2012 third quarter consolidated net sales

### Rallye Group consolidated net sales by business segment

Consolidated net sales (€m)	Q3 2011	Q3 2012	Change QoQ
Casino	8,705	11,767	+35.2%
Groupe GO Sport	182	189	+4.0%
Other*	4	4	-
<b>Total Rallye Group</b>	<b>8,891</b>	<b>11,960</b>	<b>+34.5%</b>

\* Relative to holding activity and investment portfolio

During the third quarter of 2012, Rallye's consolidated net sales reached €12.0bn, up 34.5% compared to the third quarter of 2011.

**Casino: Strong growth in sales at €11.8 billion (+35.2%), driven by International activities, which now makes up 60.4% of Casino's operations. Sustained organic<sup>1</sup> growth up in Q3 (+4.2%) over Q2 2012 (+3.4%)**

In the third quarter of 2012, **Casino's** consolidated sales were up 35.2%. Changes in scope positively contributed 33.9%, primarily under the impact of the full consolidation of GPA as of July 2, 2012. Foreign-exchange rates had an unfavourable impact of -2.5%. The calendar effect was negative in France (-0.8%) and nil internationally. The petrol effect was minimal for the quarter. Organic<sup>1</sup> growth was strong at 4.2%. Casino same-store sales increased 2.2% excluding petrol.

**In France**, organic growth was 0.2% in the third quarter excluding calendar, up sequentially over Q2 (-0.5%). Reported sales declined by -1.6% after factoring in the deconsolidation of a master franchisee at Franprix-Leader Price. Despite a soft consumer environment, convenience formats posted satisfactory results. Sales for Monoprix (1.4%), Casino supermarkets (3.5%) and superettes (0.6%) continue to grow on an organic basis (excluding petrol and calendar effect). Total sales for superettes are improving (0.1% and 0.6% excluding calendar effect), compared to a decline of -2.9% in Q2 2012. Franprix-Leader Price posted stable sales on an organic basis, excluding the calendar effect, an improvement over the previous quarter (-1.3%). Géant's performance was affected by the decline in non-food, in particular on multimedia, but the banner continues and accelerates the reduction of its non-food selling areas. Inversely, Cdiscount stepped up its growth (22.8%), benefiting from excellent performance during the summer sales. In all, non-food sales by Géant and Cdiscount grew 2.2% in the third quarter.

Casino's **International subsidiaries** generated strong growth once again this quarter. Sales rose 8.8% on an organic basis excluding the calendar effect. Total sales for International subsidiaries, which rose 79%, also benefited from the full consolidation of GPA as of July 2, 2012. The foreign-exchange effect had a negative impact of -5.5% on international sales in the third quarter of 2012. Latin America posted strong organic growth of 9.6%, driven by high same-store growth in Brazil and dynamic expansion in Colombia. Organic growth for Asia is still very significant at 10.2%, due to the sustained pace of expansion, especially in Thailand, where same-store growth improved in the third quarter. Total International sales accounted for 60.4% of Casino sales over the period, compared with 46% in Q3 2011.

<sup>1</sup> Excluding petrol and calendar effect; organic growth is growth at constant scope of consolidation and exchange rates.

**Groupe GO Sport: Groupe GO Sport sales up 4.9% on a same-store basis and at constant exchange rates in the third quarter of 2012. Loïc Le Borgne effectively started as General Manager of Groupe GO Sport on July 20, 2012**

During the third quarter of 2012, **Groupe GO Sport** sales reached €189.2m, up 4.9% on a same-store basis and at constant exchange rates.

**In France**, third quarter sales for the GO Sport banner were up 3.6% on a same-store basis, benefiting from a strong performance of both seasonal and non-seasonal goods. Another highlight was the launch of the GO Sport franchise in France, with two integrated stores converted into franchisees.

**Courir** sales once again recorded solid growth at 8.3% on a same-store basis in Q3 2012, after a 5.0% increase in the first half of the year.

**In Poland**, same-store sales with constant exchange rates rose strongly at 8.5% in the third quarter of 2012. Similarly to France, the banner posted strong performance for the back-to-school period and sales of shoes recorded double-digit growth.

#### **CONCLUSION AND PERSPECTIVES**

- In France, in a backdrop of soft consumption, **Casino** will continue to deploy its actions plan aiming at controlling its costs and reinforcing its operating excellence, in particular in hypermarkets. Expansion will continue in buoyant formats and channels, i.e. convenience, discount and e-commerce. Internationally, where Casino holds leading or co-leading positions on high-potential markets, organic growth should continue at a sustained pace, based upon a strong commercial dynamic and expansion.
- **Groupe GO Sport** remains confident in its ability to maintain a strong commercial dynamic for both banners. The effective start on July 20, 2012 of Loïc Le Borgne as General Manager for Groupe GO Sport initiates a new phase in group's recovery, particularly by adopting a more customer-centered strategy and by reinforcing the partnership with brands.
- **The disposal of Rallye's investment portfolio**, composed of quality and diversified financial and real estate assets, is ongoing. Effective disposal of the Manufaktura mall in Poland should take place once conditions precedent are lifted, before the end of 2012.
- **Rallye benefits from a strong liquidity situation**, with more than €1.7bn of confirmed, undrawn and immediately available credit lines as at September 30, 2012.



**Rallye confirms its commitment to further improve its financial structure and to reduce the net financial debt of the holding perimeter from 2012**

For more information, please consult the company's website: [www.rallye.fr](http://www.rallye.fr)



## Appendix: Rallye net consolidated sales

(In € millions)

	2011	2012	Change
<b>First quarter:</b>			
Casino	7,850	8,739	+11.3%
Groupe GO Sport	158	168	+6.2%
Other *	4	4	-
<b>Total first quarter</b>	<b>8,012</b>	<b>8,911</b>	<b>+11.2%</b>

<b>Second quarter:</b>			
Casino	8,294	8,609	+3.8%
Groupe GO Sport	170	157	-7.8%
Other *	5	4	-
<b>Total second quarter</b>	<b>8,469</b>	<b>8,770</b>	<b>+3.6%</b>

<b>First half:</b>			
Casino	16,144	17,348	+7.5%
Groupe GO Sport	328	324	-1.1%
Other *	9	8	-
<b>Total first half</b>	<b>16,480</b>	<b>17,681</b>	<b>+7.3%</b>

<b>Third quarter:</b>			
Casino	8,705	11,767	+35.2%
Groupe GO Sport	182	189	+4.0%
Other *	4	4	-
<b>Total third quarter</b>	<b>8,891</b>	<b>11,960</b>	<b>+34.5%</b>

\* Relative to holding activity and investment portfolio

**29 October 2012**

**Foncière Euris and Rallye are disposing of their investment in the Manufaktura mall in Poland**

The disposal of Manufaktura, a regional mall located in Lodz, Poland, to an open-ended fund belonging to the German group Union Investment Real Estate GmbH, will be effective on October 31, 2012, all conditions precedent pertaining to the promissory sales agreement signed on July 26, 2012 having now been lifted.

This transaction, for a total amount of €390m before repayment of the debt, is being carried out using a rent capitalization rate of 5.95%.

The sellers are, for one third each, Foncière Euris, Rallye and Apsys.

Following this operation, Foncière Euris and Rallye will individually receive a net amount slightly exceeding €60m.

This transaction comes within the scope of Rallye's debt reduction program by gradually disposing of its financial and real estate assets.

## TAXATION

### EU TAXATION

*The following is an overview limited to certain tax considerations applicable under the laws of the European Union relating to the Notes that may be issued under the Programme. Each prospective holder or beneficial owner of Notes should consult its tax advisor as to the tax consequences of any investment in or ownership and disposition of the Notes.*

On 3 June 2003, the European Council of Economic and Finance Ministers adopted the Directive 2003/48/EC on the taxation of savings income (the “**Directive**”). Pursuant to the Directive and subject to a number of conditions being met, 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 Directive (interest, premiums or other debt income) made by a paying agent located within its jurisdiction to, or for the benefit of, an individual resident 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 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 of such payment elects for the Disclosure of Information Method, withhold an amount on interest payments. The rate of such withholding is 35% 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 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 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.

On 13 November 2008 the European Commission published a detailed proposal for amendments to the Savings Directive, which included a number of suggested changes. The European Parliament approved an amended version of this proposal on 24 April 2009. If any of these proposed changes are made in relation to the Savings Directive they may amend or broaden the scope of the requirements described above.

On 13 November 2008, the European Commission published a detailed proposal for amendments to the Savings Directive, which included a number of suggested changes. The European Parliament approved an amended version of this proposal on 24 April 2009. If any of these proposed changes are made in relation to the Savings Directive they may amend or broaden the scope of the requirements described above.

## LUXEMBOURG - TAXATION

*The following is an overview limited to certain tax considerations in Luxembourg relating to the Notes that may be issued under the Programme and specifically contains information on taxes on the income from the securities withheld at source. Each prospective holder or beneficial owner of Notes should consult its tax advisor as to the tax consequences of any investment in or ownership and disposition of the Notes.*

### **Withholding tax**

Under Luxembourg tax law currently in effect and with the possible exception of interest paid to individual Noteholders and to certain residual entities (as described below) there is no Luxembourg withholding tax on payments of interest, including accrued but unpaid interest. There is also no Luxembourg withholding tax, with the possible exception of payments made to individual Noteholders, and to certain residual entities (as described below) upon repayment of principal in case of reimbursement, redemption, repurchase or exchange of the Notes.

### **Individuals**

#### *Luxembourg non-residents*

Under the Luxembourg laws dated 21 June 2005 implementing the Directive and several agreements concluded between Luxembourg and certain dependent or associated territories of the European Union (“EU”), a Luxembourg based paying agent (within the meaning of the Directive) is required since 1 July 2005 to withhold tax on interest and other similar income paid by it to (or under certain circumstances, to the benefit of) an individual resident in another Member State or in certain EU dependent or associated territories, unless the beneficiary of the interest payments elects for an exchange of information or for the tax certificate procedure. The same regime applies to payments of interest and other similar income made to certain so-called “residual entities” within the meaning of Article 4.2 of the Directive (i.e. an entity established in a Member State or in certain EU dependent or associated territories without legal personality (the Finnish and Swedish companies listed in Article 4.5 of the Directive are not considered as legal persons for this purpose), whose profits are not taxed under the general arrangements for the business taxation and that is not a UCITS recognised in accordance with Council Directive 85/611/EEC or a similar collective investment fund located in Jersey, Guernsey, the Isle of Man, the Turks and Caicos Islands, the Cayman Islands, Montserrat or the British Virgin Islands and that has not opted to be treated as a UCITS recognised in accordance with the Council Directive 85/611/EEC).

The withholding tax rate is 35 per cent. The withholding tax system will only apply during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain third countries.

#### *Luxembourg residents*

A 10 per cent. withholding tax is levied on interest payments made by Luxembourg paying agents (defined in the same way as in the Directive) to Luxembourg individual residents or to certain residual entities (as described below) that secure interest payments on behalf of such individuals (unless such entities have opted either to be treated as UCITS recognised in accordance with the Council Directive 85/611/EC or for the exchange of information regime).

Only interest accrued after 1 July 2005 falls within the scope of the withholding tax. Interest income from current and sight accounts (*comptes courants et à vue*) provided that the remuneration on these accounts is not higher than 0.75 per cent. are exempt from the withholding tax. Furthermore, interest which is accrued once a year on savings accounts (short and long term) and which does not exceed Euro 250 per person and per paying agent is exempt from the withholding tax.

Pursuant to the Luxembourg law of 23 December 2005 as amended by the law of 17 July 2008, Luxembourg resident individuals, acting in the course of their private wealth, can opt to self-declare and pay a 10 per cent. tax

on interest payments made after 31 December 2007 by paying agents (defined in the same way as in the Directive) located in a Member State of the EU other than Luxembourg, a Member State of the European Economic Area other than an EU Member State or in a State or territory which has concluded an international agreement directly related to the Directive.

The 10 per cent. withholding tax or the 10 per cent. self-declared tax represents the final tax liability for the Luxembourg individual resident taxpayers receiving the interest payment in the course of their private wealth.

### **Corporations**

There is no Luxembourg withholding tax for Luxembourg resident and non-resident corporations holders of the Notes on payments of interest (including accrued but unpaid interest).

### **FRANCE – TAXATION**

*The following is an overview limited to certain tax considerations in France relating to the Notes that may be issued under the Programme. Each prospective holder or beneficial owner of Notes should consult its tax advisor as to the tax consequences of any investment in or ownership and disposition of the Notes.*

The 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.

Following the introduction of the French *loi de finances rectificative pour 2009 no. 3* (n° 2009-1674 dated 30 December 2009) (the “**Law**”), payments of interest and other revenues made by the Issuer with respect to Notes 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% 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, interest and other revenues on such Notes will not be deductible from the Issuer's taxable income, if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid in such a Non-Cooperative State. 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% or 55%.

Notwithstanding the foregoing, the Law provides that neither the 50% withholding tax nor the non-deductibility will apply in respect of a particular 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 *Bulletin officiel des Finances Publiques-Impôts*, BOI – ANNX – 000364 – 20120912 and BOI – ANNX – 000366 – 20120912, 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 be able to benefit from the Exception.

#### **PRC - TAXATION**

The holders of RMB Notes who are not resident in the PRC 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 their RMB Notes or any repayment of principal and payment of interest made thereon.

## SUBSCRIPTION AND SALE

### Summary of the Dealer Agreement

Subject to the terms and on the conditions contained in an dealer agreement dated 17 December 2012 (the “**Dealer Agreement**”) between the Issuer, the Permanent Dealers and the Arranger, the Notes will be offered on a continuous basis by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell 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 sold by the Issuer through the Dealers, acting as agents of the 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 their expenses incurred in connection with 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 Dealers have agreed to indemnify the Issuer 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

#### France

Each of the Dealers 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 and will not offer or sell, directly or indirectly, any Notes to the public in France and it 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 (a) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de portefeuille pour le compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*), and/or (c) to a closed circle of investors (*cercle restreint d'investisseurs*) as defined in, and in accordance with, Articles L.411-1, L.411-2, D.411-1 and D.411-4 of the French *Code monétaire et financier*.

#### United States

The Notes have not been and will not be registered under the U.S. Securities Act of 1933 as amended (the “**Securities Act**”) 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. The terms “United States” and “U.S. persons” used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Materialised Bearer Notes having a maturity of more than one year 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. The terms “United States” and “U.S. persons” used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

Each Dealer has agreed that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver the Notes of any identifiable Tranche, (i) as part of their 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 forth 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.

In addition, until 40 days after the commencement of the offering, 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.

### **United Kingdom**

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

- (i) in relation to any Notes which have a maturity of less than one year from the date of issue, (a) 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 (b) 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 agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose investments (as principal or agent) for the purposes of their business 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;
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any 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
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

### **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) (the “**Financial Instruments and Exchange Act**”). Accordingly, each of the Dealers 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, 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, a resident of Japan (as defined under Item 5, Paragraph I, Article 6 of the Foreign Exchange and Foreign Trade Act (Act 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 Financial Instruments and Exchange Act and other relevant laws, ministerial guidelines and regulations of Japan.

### **Hong Kong**

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant 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 other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong 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 (Cap. 571) and any rules made under that Ordinance.

### **People’s Republic of China**

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 any of the Notes in the People’s Republic of China (excluding Hong Kong, Macau and Taiwan) except as permitted by the securities laws of the People’s Republic of China.

### **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.

### **General**

These selling restrictions may be modified by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in a Supplement to this Base Prospectus.

No action has been taken in any jurisdiction that would permit an offer to the public of any of the Notes, or possession or distribution of the Base Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it shall, to the best of its knowledge, 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 neither the Issuer nor any other Dealer shall have responsibility therefore.

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

**FORM OF FINAL TERMS**

**Final Terms dated [•]**

**[Logo, if document is printed]**

**RALLYE**

Euro 4,000,000,000  
Euro Medium Term Note Programme  
for the issue of Notes  
Due from one month from the date of original issue

**SERIES NO: [•]**

**TRANCHE NO: [•]**

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

## 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 [current date] [and the supplement to the Base Prospectus dated [•]] which [together] constitute[s] a prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “**Prospectus Directive**”) as amended (which includes the amendments made by Directive 2010/73/EU to the extent that such amendments have been implemented in a Member State of the European Economic Area). 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 at the office of the Paying Agent and on the website[s] of [(a)] the Luxembourg Stock Exchange (www.bourse.lu) [and (b) the Issuer (www.rallye.fr)] and copies may be obtained from Rallye, 83, rue du Faubourg Saint-Honoré, 75008 Paris, France. [In addition<sup>1</sup>, the Base Prospectus [and the supplement to the Base Prospectus] [is] [are] available for viewing [at/on] [•]].

*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**”) which are the EMTN 2011 Conditions. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the “**Prospectus Directive**”) as amended (which includes the amendments made by Directive 2010/73/EU to the extent that such amendments have been implemented in a Member State of the European Economic Area) and must be read in conjunction with the Base Prospectus dated [current date] [and the supplement to the Base Prospectus dated [•]], which [together] constitute[s] a prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are the EMTN 2011 Conditions. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms, the EMTN 2011 Conditions 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] [is] [are] available for viewing at the office of the Fiscal Agent or each of the Paying Agents and on the website[s] of [(a)] the Luxembourg Stock Exchange (www.bourse.lu) [and (b) the Issuer (www.rallye.fr)] and copies may be obtained from Rallye, 83, rue du Faubourg Saint-Honoré, 75008 Paris, France. [In addition<sup>1</sup>, the Base Prospectus [and the supplement to the Base Prospectus] [is] [are] available for viewing [at/on] [•]].

*[Include whichever of the following apply or specify as “Not Applicable”. Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote guidance for completing the Final Terms.]*

1. (i) Series Number: [•]
- (ii) Tranche Number: [•]
- [(iii) Date on which the Notes become fungible: [Not Applicable/ The Notes will be assimilated (*assimilées*) and form a single series with the existing [*insert description of the Series*] issued by the Issuer on [*insert*

<sup>1</sup> [If the Notes are admitted to trading on a regulated market other than the Luxembourg Stock Exchange. ]

*date*] (the “**Existing Notes**”) [as from the date of assimilation which is expected to be on or about 40 days after the Issue Date (the “**Assimilation Date**”) of this Tranche]/[as from the Issue Date of this Tranche].]

*(This item applies to fungible issues only)*

2. Specified Currency or Currencies: [•]
3. Aggregate Nominal Amount of Notes:
- (i) Series: [•]
- (ii) Tranche: [•]
4. Issue Price: [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* (*in the case of fungible issues only, if applicable*)]
5. Specified Denomination(s): [•]
6. (i) Issue Date: [•]
- (ii) Interest Commencement Date: [*Specify/Issue Date/Not Applicable*]
7. Maturity Date: [•]
- [specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]*
8. Interest Basis: [• per cent. Fixed Rate]
- [[specify particular reference rate] +/- [•] per cent. Floating Rate]*
- [Zero Coupon]
9. Change of Interest Basis: Applicable/Not Applicable]
- (Specify the date when any fixed to floating rate change occurs or refer to paragraphs 11 and 12 below and identify there)*
10. Put/Call Options: [Investor Put]
- [Issuer Call]
- [Change of Control Put (Condition[s] 6(j)/[and] 6(k))]
- (ii) Dates of the corporate authorisations for issuance of Notes obtained: [decision of the *Conseil d'administration* of the Issuer dated [•] [and [•] [*function*] dated [•]]/[decision of [•] [*function*] dated [•]]

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

11. **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 in arrear on each Interest Payment Date

- (ii) Interest Payment Date(s): [•] in each year [adjusted in accordance with [the Business Day Convention specified below<sup>1</sup>] (*specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"*)/not adjusted]
- (iii) Fixed Coupon Amount[(s)]<sup>2</sup>: [•] per [•] Specified Denomination
- (iv) Broken Amount(s): [•] payable on the Interest Payment Date falling [in/on] [•]
- (v) Day Count Fraction: [•] [30/360 / Actual/Actual - ICMA / Actual/Actual – ISDA / Actual/362 (Fixed) / Actual/360 / 30E/360 / 30E/360 (ISDA)]
- (vi) Determination Dates: [•] 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)*
- (vii) [Business Day Convention<sup>3</sup> [Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other]]
- (viii)[Party responsible for calculating Interest Amounts (if not the Calculation Agent)<sup>4</sup> [•] / [Not Applicable]]

**12. 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: [[•] in each year , subject to adjustment in accordance with the Business Day Convention set out in (v) below]
- (iii) First Interest Payment Date: [•]
- (iv) Interest Period Date: [•]  
*(not applicable unless different from Interest Payment Date)*
- (v) Business Day Convention: [Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention]
- (vi) Business Centre(s): [•]
- (vii) Manner in which the Rate(s) of [Screen Rate]

<sup>1</sup> [RMB Notes only]

<sup>2</sup> [Not applicable for RMB Notes]

<sup>3</sup> [RMB Notes only]

<sup>4</sup> [RMB Notes only]

Interest is/are to be determined:	Determination ISDA Determination]
(viii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent):	[•]
(ix) Screen Rate Determination:	
– Reference Rate:	[•]
– Interest Determination Date:	[•]
(x) ISDA Determination:	
– Floating Rate Option:	[•]
– Designated Maturity:	[•]
– Reset Date:	[•]
(xi) Margin(s):	[+/-][•] per cent. per annum
(xii) Minimum Rate of Interest:	[•] per cent. per annum
(xiii) Maximum Rate of Interest:	[•] per cent. per annum
(xiv) Day Count Fraction:	[•]
<b>13. Zero Coupon Note Provisions</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Amortisation Yield:	[•] per cent. per annum
(ii) Day Count Fraction:	[•]
<b>PROVISIONS RELATING TO REDEMPTION</b>	
<b>14. Call Option</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Optional Redemption Date(s):	[•]
(ii) Optional Redemption Amount(s) of each Note:	[•] per Note of [•] Specified Denomination
(iii) If redeemable in part:	
(a) Minimum Redemption Amount to be redeemed:	[•]
(b) Maximum Redemption Amount to be redeemed:	[•]
(iv) Notice period:	[•]
<b>15. Put Option</b>	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Optional Redemption Date(s):	[•]
(ii) (Optional Redemption	[•] per Note of [•] Specified Denomination

Amount(s) of each Note:

- (iii) Notice period: [•]
- 16. Change of Control Put Option (Condition[s] 6(j)/[and] 6(k))** [Applicable/Not Applicable]
- 17. Final Redemption Amount of each Note** [•] per Note of [•] Specified Denomination
- 18. Early Redemption Amount**
- (i) Early Redemption Amount(s) of each Note payable on redemption for taxation reasons (Condition 6(e)), for illegality (Condition 6(h)) or on event of default (Condition 9) or other early redemption: [•]
- (ii) Redemption for taxation reasons permitted on days others than Interest Payment Dates [Yes/No]
- (iii) Unmatured Coupons to become void upon early redemption (Materialised Bearer Notes only) [Yes/No/Not Applicable]
- GENERAL PROVISIONS APPLICABLE TO THE NOTES**
- 19. Form of Notes:** [Bearer Dematerialised Notes/Registered Dematerialised Notes/Materialised Notes] (*Delete as appropriate*)
- (i) Registration Agent: [Not Applicable/if Applicable give name and details]  
(*Note that a Registration Agent must be appointed in relation to Registered Dematerialised Notes only*)
- (ii) Temporary Global Certificate: [Not Applicable/if Applicable: Temporary Global Certificate exchangeable for Definitive Materialised Bearer Notes on [•] (the “Exchange Date”)]
- (iii) Applicable TEFRA exemption: [C Rules/D Rules/Not Applicable/Give details].  
(*Only applicable to Materialised Notes*)
- 20. Financial Centre(s):** [•]
- 21. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):** [Yes/No/Not Applicable. *If yes, give details*]  
(*Only applicable to the Materialised Notes*).
- 22. Redenomination, renominatisation and reconventioning provisions:** [Not Applicable/The provisions [in Condition 1(d)] [annexed to these Final Terms] apply]
- 23. Purchase in accordance with Article L.213-1 A and D.213-1 A of the French Code monétaire et financier:** [Not Applicable/Applicable]



24. Consolidation provisions:

[Not Applicable/The provisions [in Condition 14(b)] apply]

25. Masse:

[Full Masse]/[Contractual Masse] shall apply

*(Note that: (i) in respect of any Tranche of Notes issued outside France, Condition 11 (b) (Contractual Masse) may be elected by the Issuer, and (ii) in respect of any Tranche of Notes issued inside France, Condition 11(a) (Full Masse) shall apply.)*

Name and address of the Representative: [●]

[Name and address of the alternate Representative: [●]]

[The Representation will receive no remuneration/The Representative will receive a remuneration of [●]]

Signed on behalf of Rallye:

Duly represented by: .....

## PART B – OTHER INFORMATION

### 1 LISTING AND ADMISSION TO TRADING

- (i) Listing: [official list of the Luxembourg Stock Exchange/other (specify)/None]
- (ii) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [specify relevant regulated market] with effect from [•].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [specify relevant regulated market]] with effect from [•].] [Not Applicable.]

### 2 [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 disclosed 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."/[•]]

*[(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]*

### 3 [THIRD PARTY INFORMATION AND STATEMENT BY EXPERTS AND DECLARATIONS OF ANY INTEREST

*(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.)]*

### 4 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 relating to the admission to trading:

[•] *(Include breakdown of expenses.)*

## 5 [Fixed Rate Notes only – YIELD

Indication of yield:

[•]

## 6 [Floating Rate Notes only - HISTORIC INTEREST RATES

Details of historic [LIBOR/EURIBOR/EUR CMS/TEC 10] rates can be obtained from [Reuters].]

## 7 OPERATIONAL INFORMATION

ISIN Code:

[•]

Common Code:

[•]

Depositories:

(i) Euroclear France to act as Central Depository [Yes/No]

(ii) Common Depository for Euroclear and Clearstream Luxembourg [Yes/No]

Any clearing system(s) other than Euroclear and Clearstream, Luxembourg 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):

[•]

The aggregate principal amount of Notes issued has been translated into Euro at the rate of [•] producing a sum of:

[•]

## 8 DISTRIBUTION

(i) Method of distribution: [Syndicated/Non-syndicated]

(ii) If syndicated:

(A) Names of Managers: [Not Applicable/give names]

*(Include names of entities agreeing to underwrite the issue on a firm commitment basis and names of the entities agreeing to place the issue without*

*a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers)*

- |       |   |  |
|-------|---|--|
|       | (B) Stabilising Manager(s) if any:  | [Not Applicable/give name]   |
| (iii) | If non-syndicated, name and address of Dealer:  | [Not Applicable/give name]   |
| (iv)  | US Selling Restrictions (Categories of potential investors to which the Notes are offered): | Reg. S Compliance Category 2 applies to the Notes; [TEFRA C]/[TEFRA D]/[TEFRA not applicable] ( <i>See paragraphe 12 of General Information in the Base Prospectus</i> ) |

## GENERAL INFORMATION

- (1) Application has been made to list the Notes on the Official List and admit such Notes to trading on the Regulated Market of the Luxembourg Stock Exchange and/or on any other Regulated Market in a Member State of the EEA.
- (2) The Issuer has obtained all necessary corporate and other consents, approvals and authorisations in connection with the Programme. Any drawdown of Notes under the Programme, to the extent that such Notes constitute *obligations*, requires the prior authorisation of the *Conseil d'administration* of the Issuer, which may delegate its powers to its *Président Directeur Général*. For this purpose, the *Conseil d'administration* of the Issuer, on 8 March 2012, has authorised the *Président Directeur Général* to issue *obligations* up to a maximum aggregate amount of €2,000,000,000 which authority will, unless previously cancelled, expire on 8 March 2013. Any issue of Notes, to the extent that such Notes do not constitute *obligations*, will fall within the general powers of the *Président Directeur Général* of the Issuer.
- (3) There has been no significant change in the financial or trading position or general affairs of the Issuer or the Group since 30 June 2012 and there has been no material adverse change in the prospects of the Issuer or the Group since 31 December 2011.
- (4) There has been no governmental, legal or arbitration proceedings (including any such proceedings that 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.
- (5) Each Definitive Bearer Materialised Note, Coupon and Talon 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".
- (6) Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems, which are entities in charge of keeping the records. The Common Code, the International Securities Identification Number (ISIN) and (where applicable) the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms.  
  
The address of Euroclear is 1 boulevard du Roi Albert II, 1210 Bruxelles, Belgium and the address of Clearstream, Luxembourg is 42 avenue John Fitzgerald Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg.
- (7) Dematerialised Notes will be inscribed in the books of Euroclear France (acting as central depository). Dematerialised Notes which are in registered form (*au nominatif*) are also inscribed either with the Issuer or with the registration agent.  
  
The address of Euroclear France is 115 rue Réaumur, 75081 Paris Cedex 02, France.
- (8) 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 and public holidays excepted), for inspection at the office of the Paying Agent or at the registered office of the Issuer:
  - (i) the *statuts* of the Issuer
  - (ii) the published annual report, audited non-consolidated and consolidated accounts of the Issuer for the two financial years ended 31 December 2010 and 2011 and consolidated accounts of the Issuer for the six-month period ended 30 June 2012

- (iii) the Final Terms for Notes that are listed on the Official List or any other Regulated Market in the EEA
  - (iv) a copy of this Base Prospectus together with any supplement to this Base Prospectus or further Base Prospectus
  - (v) all reports, letters and other documents, historical financial statements, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to in this Base Prospectus.
- (9) For so long as Notes may be issued pursuant to this Base Prospectus, the following documents will be available on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and in respect of (ii) below on the website of the Issuer ([www.rallye.fr](http://www.rallye.fr)):
- (i) the Final Terms for Notes that are listed on the Official List and admitted to trading on the Luxembourg Stock Exchange or any other Regulated Market in the EEA
  - (ii) this Base Prospectus, together with any supplement to this Base Prospectus or further Base Prospectus.
- (10) Copies of the latest annual report and non-consolidated and consolidated accounts of the Issuer (including any published semi-annual interim consolidated accounts) (in English and French) (in each case as soon as they are published) may be obtained, and copies of the Agency Agreement will be available for inspection, at the specified office of the Paying Agent during normal business hours, so long as any of the Notes is outstanding.
- (11) In respect of derivatives securities as defined in Article 15.2 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.
- (12) The Notes to be issued by each Issuer qualify under Category 2 for the purposes of Regulation S under the Securities Act ("**Regulation S**"). Materialised Notes will be issued in compliance with US Treas. Reg. §1.163-5(c)(2)(i)(D) (the "**D Rules**") unless (i) the relevant Final Terms states that such Materialised Notes are issued in compliance with US Treas. Reg. §1.163-5(c)(2)(i)(C) (the "**C Rules**"), or (ii) such Materialised Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute "registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982 ("**TEFRA**"), which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable.
- The TEFRA rules do not apply to any Dematerialised Notes
- (13) Ernst & Young et Autres at 1/2, place des Saisons 92400 Courbevoie - Paris La Défense 1, France, and KMPG Audit, at 1, cours Valmy, 92923 Pairs-La Défense, France, are the statutory auditors of the Issuer and have audited and rendered unqualified audit reports on the consolidated financial statements of the Issuer as at, and for the two years ended 31 December 2010 and 31 December 2011.

Ernst & Young et Autres and KMPG Audit are registered as *Commissaires aux Comptes* (members of the *Compagnie Nationale des Commissaires aux Comptes*) and regulated by the *Haut Conseil du Commissariat aux Comptes*.

**Registered office of the Issuer**

**RALLYE**

83, rue du Faubourg Saint-Honoré  
75008 Paris  
France

**Arranger**

**Barclays Bank PLC**

5 The North Colonnade  
Canary Wharf  
London E14 4BB  
United Kingdom

**Dealers**

**Barclays Bank PLC**

5 The North Colonnade  
Canary Wharf  
London E14 4BB  
United Kingdom

**BNP Paribas**

10 Harewood Avenue  
London NW1 6AA  
United Kingdom

**Crédit Agricole Corporate and Investment Bank**

9, quai du Président Paul Doumer  
92920 La Défense Paris Cedex  
France

**Deutsche Bank AG, London Branch**

Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

**HSBC Bank plc**

8 Canada Square  
London E14 5HQ  
United Kingdom

**Natixis**

30 avenue Pierre Mendès-France  
75013 Paris  
France

**Société Générale**

29, boulevard Haussmann  
75009 Paris  
France

**The Royal Bank of Scotland plc**

135 Bishopsgate  
London EC2M 3UR  
United Kingdom

**Fiscal Agent, Paying Agent, Redenomination Agent,  
Consolidation Agent and Calculation Agent**

**BNP Paribas Securities Services**

(affiliated with Euroclear France under number 29106)

Les Grands Moulins de Pantin  
9 rue du Débarcadère  
93500 Pantin  
France

**Listing Agent**

**Luxembourg Listing Agent**

**BNP Paribas Securities Services, Luxembourg Branch**

33, rue de Gasperich  
Howald-Hesperange  
L-2085 Luxembourg  
Grand-Duchy of Luxembourg

**Auditors to the Issuer**

**Ernst & Young et Autres**

1/2, place des Saisons  
92400 Courbevoie - Paris La Défense 1  
France

**KPMG Audit**

1, cours Valmy  
92923 Paris-La Défense Cedex  
France

**Legal Advisers**

**To the Issuer**

**Fasken Martineau**

32, avenue de l'Opéra  
Paris 75002  
France

**To the Dealers**

**Linklaters LLP**

25, rue de Marignan  
75008 Paris  
France