

**SECOND SUPPLEMENT DATED 27 MARCH 2017 TO THE BASE PROSPECTUS DATED  
29 JUNE 2016**



FRANCE

**PSA BANQUE FRANCE**

**€4,000,000,000**

**Euro Medium Term Note Programme**

This second supplement (the **Second Supplement**) is supplemental to, and should be read in conjunction with, the base prospectus dated 29 June 2016 (the **Base Prospectus**), as supplemented by the first supplement dated 8 November 2016 (the **First Supplement**) prepared in relation to the €4,000,000,000 Euro Medium Term Note Programme of PSA BANQUE FRANCE (**PSA BANQUE FRANCE** or the **Issuer**). The Base Prospectus as supplemented constitutes a base prospectus for the purpose of Directive 2003/71/EC, as amended (the **Prospectus Directive**). The *Autorité des marchés financiers* (the **AMF**) has granted visa No. 16-282 on 29 June 2016 to the Base Prospectus and visa No. 16-520 on 8 November 2016 to the First Supplement.

Application has been made for approval of this Second Supplement to the AMF in its capacity as competent authority pursuant to Article 212-2 of its *Règlement Général* which implements the Prospectus Directive.

Unless the context otherwise requires, terms defined in the Base Prospectus and, as the case may be, in the First Supplement shall have the same meaning when used in this Second Supplement.

This Second Supplement has been prepared pursuant to Article 16.1 of the Prospectus Directive and Article 212-25 of the AMF's *Règlement Général* for the purposes of: (a) amending the "Risk Factors" section; (b) incorporating by reference the Issuer's 2016 Annual Report containing its audited consolidated financial statements as of 31 December 2016; (c) amending the "Description of the Issuer" section; (d) creating a "Recent Developments" section and (e) amending the "General Information" section of this Base Prospectus.

Save as disclosed in this Second Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus which is material in the context of the Programme since the publication of the Base Prospectus, as supplemented by the First Supplement.

Copies of this Second Supplement will be available so long as any of the Notes are outstanding (a) free of charge, at the registered office of the Issuer during normal business hours, (b) during usual business hours on any weekday (public holidays excepted) for collection at the offices of the Fiscal Agent and the Paying Agent(s), (c) on the website of the AMF at [www.amf-france.org](http://www.amf-france.org), and (d) together with the documents incorporated by reference in this Second Supplement, on the website of PSA BANQUE FRANCE at [www.psa-banque-france.com](http://www.psa-banque-france.com).

To the extent that there is any inconsistency between (a) any statement in this Second Supplement or any statement incorporated by reference into the Base Prospectus by this Second Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

This Second Supplement has been prepared pursuant to Article 16.1 of the Prospectus Directive and Article 212-25 of the AMF's *Règlement Général* for the purpose of giving information with regard to the Issuer and the Notes to be issued under the Programme additional to the information already contained or incorporated by reference in the Base Prospectus, as supplemented by the First Supplement.

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## RISK FACTORS

The first paragraph of the sub-section “FACTORS THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER NOTES ISSUED UNDER THE PROGRAMME” of the section “RISK FACTORS” appearing on page 5 of the Base Prospectus is hereby deleted in its entirety and replaced with the following:

“The risk factors relating to the Issuer and its activity are set out in detail on pages 22 to 33 of the 2016 Annual Report (as defined in the section “Documents Incorporated by Reference”), which are incorporated by reference in this Base Prospectus, and include the following:

- business risks, being factors that have an impact on the PSA BANQUE FRANCE Group’s levels of activity:
  - external factors that influence vehicle purchases;
  - government policies to incentivise new vehicle purchases;
  - regulatory or fiscal changes which could lead to a modification of the activity or alter the profitability thereof;
  - the sales volumes achieved by Peugeot, Citroën and DS, as well as their marketing policies, which may include joint financing operations carried out with the PSA BANQUE FRANCE Group;
  - the PSA BANQUE FRANCE Group's competitive positioning, in terms of both product range and price.
- credit risk, being the risk of loss arising from the failure of a customer to meet the payment or other terms of a contract with the PSA BANQUE FRANCE Group;
- financial risks and market risk, including liquidity risk, interest rate risk, counterparty risk, currency risk and other market risks;
- risks related to the PSA BANQUE FRANCE Group’s securitisation operations;
- concentration risk related to the granting of credit to individuals, sectoral concentration risk of credit transactions and concentration risk related to bank re-financing;
- operational risk, being the risk resulting from a mal-adjustment or failure attributable to procedures, to personnel, internal systems, or to external events, including events with a low probability of occurrence but with substantial risk of loss;
- non-compliance risk, being the risk of legal, administrative or disciplinary sanction, significant financial loss or damage to reputation arising from failure to comply with the provisions governing banking and financial services, including regulatory and statutory provisions, professional standards, ethical standards, or instructions from the executive body pursuant to guidelines issued by the Board of Directors;
- reputational risk, being the risk of damage to the Issuer’s reputation and image with end customers, dealer customers, third-party banks and supervisory authorities; and
- correlation risk, being the risk relating to the correlation of the activity and profitability of the PSA BANQUE FRANCE Group with the activities and profitability of its shareholders.”

## DOCUMENTS INCORPORATED BY REFERENCE

The section “DOCUMENTS INCORPORATED BY REFERENCE” appearing on pages 22 to 23 of the Base Prospectus is hereby deleted in its entirety and replaced with the following:

“The following information shall be incorporated by reference in, and form part of, this Base Prospectus:

- (a) the sections referred to in the table below included in the English translation of the 2016 *Rapport Annuel* of PSA BANQUE FRANCE (the **2016 Annual Report**), which has previously been published and was filed with the AMF on 23 March 2017; and
- (b) the sections referred to in the table below included in the English translation of the 2015 *Rapport Annuel* of PSA BANQUE FRANCE (the **2015 Annual Report**), which has previously been published and was filed with the AMF on 15 June 2016.

PSA BANQUE FRANCE will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes.

Following the publication of this Base Prospectus a supplement may be prepared by PSA BANQUE FRANCE and approved by the AMF in accordance with Article 16 of the Prospectus Directive and Article 212-25 of the *Règlement Général* of the AMF. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable, be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

Copies of documents incorporated by reference in the Base Prospectus can be obtained from the registered office of PSA BANQUE FRANCE and from the specified offices of the Paying Agent for the time being at 11, avenue Emile Reuter, 2420 Luxembourg, Luxembourg. They will also be published on PSA BANQUE FRANCE’s website at [www.psa-banque-france.com](http://www.psa-banque-france.com) and on the *Direction de l'information légale et administrative's* website at [www.info-financiere.fr](http://www.info-financiere.fr) for financial information only. The Base Prospectus and the supplements to the Base Prospectus (together with any Final Terms relating to Notes admitted to trading on a Regulated Market) have been published on the AMF's website at [www.amf-france.org](http://www.amf-france.org).

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

	<b>Annex XI of EC regulation No. 809/2004, as amended – Minimum disclosure requirements for the debt and derivatives securities registration document</b>	<b>2016 Annual Report</b>	<b>2015 Annual Report</b>
<b>3</b>	<b>RISK FACTORS</b>		
<b>3.1</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 22 - 33	
<b>4</b>	<b>INFORMATION ABOUT THE ISSUER</b>		
<b>4.1</b>	<b><u>History and development of the Issuer:</u></b>		
<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).	page 36	
<b>4.1.5</b>	any recent events particular to the issuer and which are to a material extent relevant to the evaluation of the issuer's solvency.	pages 6 - 22	
<b>5</b>	<b>BUSINESS OVERVIEW</b>		
<b>5.1.</b>	<b><u>Principal Activities</u></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;	pages 7 - 12	
<b>5.1.3</b>	Principal Markets  A brief description of the principal markets in which the issuer competes.	pages 8 - 12	
<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: members of the administrative, management or supervisory bodies;	pages 40 - 42	
<b>9.2</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. In the event that there are no such conflicts, a statement to that effect	page 36	
<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><u>Historical Financial Information</u></b>		

<b>11.2</b>	<b>Consolidated Financial Statements</b>		
	(a) the balance sheet;	page 44	page 44
	(b) the income statement;	page 45	page 45
	(c) statement of changes in equity	page 46	page 46
	(d) statement of cash flow	page 47	page 47
	(e) the accounting policies and explanatory notes.	pages 48 - 88	pages 48 - 87
	(f) audit report	pages 89 - 90	pages 88 - 89
	<b>Interim Consolidated Financial Statements</b>		
	(a) the balance sheet;	-	
	(b) the income statement;	-	
	(c) statement of changes in equity	-	
	(d) statement of cash flow	-	
	(e) the accounting policies and explanatory notes.	-	
	(f) audit report	-	
<b>11.3</b>	<b><u>Auditing of historical annual financial information</u></b>		
<b>11.3.1</b>	A statement that the historical financial information has been audited. If audit reports on the historical financial information have been refused by the statutory auditors or if they contain qualifications or disclaimers, such refusal or such qualifications or disclaimers must be reproduced in full and the reasons given.	pages 89 - 90	
<b>11.6</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 the period covering, at last 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 12	

If documents which are incorporated by reference themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Second Supplement for the purposes of the Prospectus Directive (Directive 2003/71/EC) except where such information or other documents are specifically incorporated by reference or attached to this Second Supplement.”

## **DESCRIPTION OF THE ISSUER**

In the section “DESCRIPTION OF THE ISSUER”, all references to “Santander Consumer France” shall be deleted and replaced by the terms “Santander Consumer Banque”.

The first paragraph of the section “DESCRIPTION OF THE ISSUER” appearing on page 62 of the Base Prospectus is hereby deleted in its entirety and replaced with the following:

“Prospective investors should note that further information regarding the Issuer is set out on pages 7 to 12 and 36 to 42 of the 2016 Annual Report which was filed with the AMF on 23 March 2017 and which is incorporated by reference in this Base Prospectus, as set out in the section “Documents Incorporated by Reference” of this Base Prospectus.”

The last paragraph of the section “DESCRIPTION OF THE ISSUER” appearing on page 64 of the Base Prospectus is hereby deleted in its entirety and replaced with the following:

“For further information regarding the products and services offered by PSA BANQUE FRANCE Group is set out on pages 8 to 12 of the 2016 Annual Report.”

## RECENT DEVELOPMENTS

A new section entitled “Recent Developments” shall be created and inserted in the Base Prospectus between the section “Subscription and Sales” and the section “General Information”. The content of this new section “Recent Development” shall be as follows:

“For the recent developments relating to the Issuer, please refer to the pages 6 to 22 of the 2016 Annual Report which was filed with the AMF on 23 March 2017 and which is incorporated by reference in this Base Prospectus, as set out in the section “Documents Incorporated by Reference” of this Base Prospectus.

The recent developments referred to in the 2016 Annual Report are supplemented by the following press releases respectively published on the Issuer website at [www.psa-banque-france.com](http://www.psa-banque-france.com), on 4 January 2017 and 8 March 2017:

Wednesday, January 4, 2017

### **PSA Banque France : first public senior unsecured bond €500m 3-year Fixed Rate Notes**

Following the reopening of markets at the beginning of the year 2017, PSA Banque France, rated Baa2 (positive outlook) by Moody's, successfully placed today a €500m fixed-rate bond issue due to mature in January 2020 and carrying an annual coupon of 0.500%.

The final orderbook was over 10x oversubscribed with around €5bn of orders from more than 260 accounts, in a week with high level of activity of issuers from automotive industry on the financial markets.

This first issuance under EMTN program was carried out with partner banks, SG CIB as Global Coordinator and Banca IMI, CA-CIB, SG CIB as Bookrunners.

Access to capital market completes the mix of stable funding sources of PSA Banque France and is an important milestone in its strategy of diversification.

Wednesday, March 8, 2017

### **Moody's Investors Service upgraded PSA Banque France's long-term credit rating**

Moody's Investors Service has upgraded PSA Banque France Group's long-term credit rating from Baa2 to Baa1 with a stable outlook.

> *Consult the rating on the website [www.moody.com](http://www.moody.com)*

## GENERAL INFORMATION

The paragraphs “Documents Available”, “Significant or Material Change”, “Auditors” and “Credit Rating” on pages 71 and 72 of the Base Prospectus shall be deleted and replaced with the following paragraphs:

### “Documents available

For the period of 12 months following the date of this Base Prospectus, copies of the following documents will, when published, be available for inspection from the registered office of the Issuer and from the specified offices of the Paying Agent for the time being in France:

- (a) the *statuts* of the Issuer;
- (b) the consolidated audited financial statements of the Issuer in respect of the financial year ended 2015 and 2016 (with an English translation thereof) together with the audit reports prepared in connection therewith. The Issuer currently prepares audited consolidated accounts on an annual basis;
- (c) the Agency Agreement, the Deed of Covenant and the forms of the Global Notes, the Notes in definitive form, the Coupons and the Talons; and
- (d) a copy of this Base Prospectus and any supplement thereto.

### Significant or Material Change

There has been no significant change in the financial or trading position of PSA BANQUE FRANCE since 31 December 2016 and there has been no material adverse change in the financial position or prospects of PSA BANQUE FRANCE since 31 December 2016.”

### Auditors

The auditors of the Issuer are Ernst & Young Audit and Mazars, who have audited the Issuer’s consolidated financial statements without qualification, in accordance with IFRS for the financial years ended on 31 December 2015 and 31 December 2016. Ernst & Young Audit and Mazars carry out their duties in accordance with the principles of the *Compagnie Nationale des Commissaires aux Comptes* (CNCC) (National Association of Statutory Auditors).

### Credit Rating

The Issuer has been rated Baa1 (stable outlook) by Moody’s Investors Service Ltd as at 8 March 2017.”

All references in the Base Prospectus to “Baa2 (positive outlook)” shall be deleted and replaced by the terms “Baa1 (stable outlook)”.

## PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE SECOND SUPPLEMENT

I hereby certify, having taken all reasonable care to ensure that such is the case, that, to the best of my knowledge, the information contained in this Second Supplement is in accordance with the facts and contains no omission likely to affect its import.

Paris, 27 March 2017

### PSA BANQUE FRANCE

9, rue Henri Barbusse  
92230 Gennevilliers  
France

Represented by

Andrea Bandinelli

*Chief Executive Officer*

Christophe Blancal

*Head of Treasury & Financing*



### *Autorité des marchés financiers*

In accordance with Articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and with the *Règlement Général* of the *Autorité des marchés financiers* (AMF), in particular Articles 212-31 to 212-33, the AMF has granted to this Second Supplement the visa no. 17-108 on 27 March 2017. This document and the Base Prospectus may only be used for the purposes of a financial transaction if completed by Final Terms. It was prepared by PSA BANQUE FRANCE and its signatories assume responsibility for it. In accordance with Article L.621-8-1-I of the French *Code monétaire et financier*, the visa was granted following an examination by the AMF of "whether the document is complete and comprehensible, and whether the information it contains is coherent". It does not imply that the AMF has verified the accounting and financial data set out in it and the appropriateness of the issue of the Notes. This visa has been granted subject to the publication of Final Terms in accordance with Article 212-32 of the AMF's *Règlement Général*, setting out the terms of the securities being issued.