



**L'AIR LIQUIDE S.A.  
AIR LIQUIDE FINANCE  
€12,000,000,000 Euro Medium Term Note Programme  
unconditionally and irrevocably guaranteed by L'AIR LIQUIDE S.A. in respect of Notes  
issued by AIR LIQUIDE FINANCE**

Under the Euro Medium Term Note Programme (the "**Programme**") described in this document (the "**Debt Issuance Programme Prospectus**"), L'Air Liquide, société anonyme pour l'Etude et l'Exploitation des Procédés Georges Claude ("**L'Air Liquide**", the "**Guarantor**" or, in its capacity as Issuer, an "**Issuer**") and Air Liquide Finance ("**Air Liquide Finance**" or an "**Issuer**" and together with L'Air Liquide, the "**Issuers**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro Medium Term Notes (the "**Notes**"). Notes issued by Air Liquide Finance will be unconditionally and irrevocably guaranteed by L'Air Liquide. The aggregate nominal amount of Notes outstanding will not at any time exceed €12,000,000,000 (or the equivalent in other currencies) and may be denominated in any currency.

This Debt Issuance Programme Prospectus shall, for the purposes of Notes listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange be updated annually.

Application has been made to the Commission de surveillance du secteur financier ("**CSSF**") in its capacity as competent authority in Luxembourg under the loi relative aux prospectus pour valeurs mobilières dated 10 July 2005, as amended (the "**Prospectus Act 2005**") for the approval of this document as two base prospectuses for the purposes of Article 5.4 of the Prospectus Directive. In accordance with article 7(7) of the Prospectus Act 2005, the CSSF shall give no undertaking as to the economical and financial soundness of the operation or the quality or solvency of the Issuers and/or the Guarantor by approving this Debt Issuance Programme Prospectus.

Application may be made for a period of twelve (12) months from the date of this Debt Issuance Programme Prospectus (i) to the Luxembourg Stock Exchange for the Notes issued under the Programme to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and to be listed on the official list of 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 an EEA Regulated Market (as defined below) in such Member State. However, Notes issued under the Programme may also be unlisted and/or not admitted to trading on any market. 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 EEA Regulated Market, and will be published, if relevant, on the website of the Regulated Market where the admission to trading is sought or on the website of the relevant Issuer, as the case may be. The Luxembourg Stock Exchange is a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC, as amended, appearing on the list of regulated markets issued by the European Securities and Markets Authority (an "**EEA Regulated Market**").

References in this Base Prospectus to the "**Prospectus Directive**" are 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, as amended.

Notes may be issued either in dematerialised form ("**Dematerialised Notes**") or in materialised form ("**Materialised Notes**"), as more fully described herein.

Dematerialised Notes may, at the option of the relevant Issuer, be (a) 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 Euroclear France Account Holders (as defined in "Terms and Conditions of the Notes-Form, Denomination(s), Title and Redenomination") including Euroclear Bank S.A./N.V. ("**Euroclear**") and the depository bank for Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") or (b) 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 (au 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 (au nominatif administré) in which case they will be inscribed in the accounts of the Euroclear France Account Holders designated by the relevant Noteholders.

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.

Materialised Notes will be in bearer form only and may only be issued outside France. A temporary global certificate in bearer form without interest coupons attached (a "**Temporary Global Certificate**") will initially be issued in connection with Materialised Notes. Such Temporary Global Certificate will be exchanged for definitive Materialised Notes in bearer form with, where applicable, coupons for interest attached on or after a date expected to be on or about the 40th calendar 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 (as defined below) 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).

The final terms of the relevant Notes will be determined at the time of the offering of each Tranche based on the then prevailing market conditions and will be set out in the relevant Final Terms.

The Programme has been rated A- by Standard & Poor's Ratings Services, and A3 by Moody's Investors Service. Tranches of Notes issued under the Programme may be rated or unrated. Where an issue of Notes is rated, such rating will not necessarily be the same as ratings assigned to the Programme and its rating will not necessarily be the same as the rating assigned to other Notes issued under the Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency. As of the date of this Debt Issuance Programme Prospectus, both Standard & Poor's Ratings Services and Moody's Investors Service are established in the European Union, are registered under Regulation (EC) No.1060/2009 on credit ratings agencies, as amended (the "**CRA Regulation**") and are included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the website of the European Securities and Markets Authority ([www.esma.europa.eu/page/List-registered-and-certified-CRAs](http://www.esma.europa.eu/page/List-registered-and-certified-CRAs)). The relevant Final Terms will specify whether or not credit ratings are issued by a credit rating agency established in the European Union and registered under the CRA Regulation. Credit ratings are subject to revision, suspension or withdrawal at any time by the relevant rating organisation.

Prospective investors should take into account the factors described under the section headed "**Risk Factors**" in this Debt Issuance Programme Prospectus before deciding to invest in the Notes issued under the Programme.

**Arranger**

**BNP PARIBAS**

**Permanent Dealers**

**BANCA IMI  
BNP PARIBAS  
CM-CIC MARKET SOLUTIONS  
CRÉDIT AGRICOLE CIB  
ICBC PARIS BRANCH  
MUFG  
NATIXIS**

**SOCIÉTÉ GÉNÉRALE CORPORATE & INVESTMENT BANKING**

**BARCLAYS  
CITIGROUP  
COMMERZBANK  
HSBC  
J.P. MORGAN  
MIZUHO SECURITIES  
SMBC NIKKO  
THE ROYAL BANK OF SCOTLAND**

*This Debt Issuance Programme Prospectus (together with any supplements to this document published from time to time) constitutes two base prospectuses for the purposes of Article 5.4 of the Prospectus Directive: (i) the base prospectus for L’Air Liquide, société anonyme pour l’Etude et l’Exploitation des Procédés Georges Claude (“**L’Air Liquide**”, the “**Guarantor**” or, in its capacity as Issuer, an “**Issuer**”) in respect of non-equity securities within the meaning of Article 22 no. 6(4) of the Commission Regulation (EC) No. 809/2004 of 29 April 2004, as amended (hereinafter, the “**Notes**”) to be issued by L’Air Liquide under this Euro Medium Term Note Programme (the “**Programme**”) and (ii) the base prospectus for Air Liquide Finance (“**Air Liquide Finance**” or an “**Issuer**” and together with L’Air Liquide, the “**Issuers**”) in respect of Notes to be issued by Air Liquide Finance under this Programme. In relation to each Tranche of Notes, this Debt Issuance Programme Prospectus must be read in conjunction with the applicable Final Terms.*

*This Debt Issuance Programme Prospectus is to be read in conjunction with all documents which are incorporated herein by reference in accordance with Article 11 of the Prospectus Directive (see “Documents Incorporated by Reference” below).*

*No person is or has been authorised to give any information or to make any representation other than those contained or incorporated by reference in this Debt Issuance Programme 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 L’Air Liquide or Air Liquide Finance, or any of the Dealers or the Arranger (each as defined in “General Description of the Programme”). Neither the delivery of this Debt Issuance Programme 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 L’Air Liquide or Air Liquide Finance, as the case may be, or those of L’Air Liquide and its subsidiaries taken as a whole (together the “Air Liquide Group” or the “Group”) since the date hereof or the date upon which this Debt Issuance Programme Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of either of L’Air Liquide or Air Liquide Finance, as the case may be, or that of the Air Liquide Group since the date hereof or the date upon which this Debt Issuance Programme 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 an EEA Regulated Market in circumstances which require the publication of a prospectus under the Prospectus Directive, the minimum specified denomination shall be at least €100,000 (or its equivalent in any other currency as at the date of issue of the Notes).*

*The distribution of this Debt Issuance Programme Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. No action has been taken by L’Air Liquide, Air Liquide Finance or the Dealers which would permit a public offering of any Notes or distribution of this Debt Issuance Programme Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Debt Issuance Programme Prospectus nor any Final Terms or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations and the Dealers have represented that all offers and sales by them will be made on the same terms. Persons into whose possession this Debt Issuance Programme Prospectus comes are required by L’Air Liquide, Air Liquide Finance, the Dealers and the Arranger to inform themselves about and to observe any such restriction. In particular, there are restrictions on the distribution of this Debt Issuance Programme Prospectus and the offer or sale of Notes in the United States, the United Kingdom, Japan, Hong Kong, the People’s Republic of China, Singapore, France, Italy, Germany and Russia.*

*The Notes and the Guarantee in respect of 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 the Notes may include Materialised Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or, in the case of Materialised Notes in bearer form, delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (“**Regulation S**”) or in the case of Materialised Notes in bearer form, the U.S. Internal Revenue Code of 1986, as amended (the “**U.S. Internal Revenue Code**”)). This Debt Issuance Programme Prospectus or information contained herein is not an offer, or*

*an invitation to make offers, to sell, exchange or otherwise transfer securities in the Russian Federation to or for the benefit of any Russian person or entity and does not constitute an advertisement or offering of securities in the Russian Federation within the meaning of Russian securities laws. Information contained in this Debt Issuance Programme Prospectus is not intended for any persons in the Russian Federation who are not “qualified investors” within the meaning of Article 51.2 of the Federal Law no. 39-FZ “On the Securities Market” dated 22 April 1996, as amended (the “Russian QIs”) and must not be distributed or circulated into the Russian Federation or made available in the Russian Federation to any persons who are not Russian QIs, unless and to the extent they are otherwise permitted to access such information under Russian law. The Securities have not been and will not be registered in Russia and are not intended for “placement” or “circulation” in the Russian Federation (each as defined in Russian securities laws) unless and to the extent otherwise permitted under Russian law. For a description of certain restrictions on offers and sales of Notes and on distribution of this Debt Issuance Programme Prospectus, see “Subscription and Sale”.*

*This Debt Issuance Programme Prospectus does not constitute an offer of, or an invitation by or on behalf of L’Air Liquide, Air Liquide Finance, the Dealers or the Arranger to subscribe for, or purchase, any Notes.*

*The Arranger and the Dealers have not separately verified the information or representations contained or incorporated by reference in this Debt Issuance Programme Prospectus. None of the Dealers or the Arranger makes any representation, express or implied, or accepts any responsibility, with respect to the sincerity, accuracy or completeness of any of the information or representations in this Debt Issuance Programme Prospectus. Neither this Debt Issuance Programme Prospectus nor any other information incorporated by reference in this Debt Issuance Programme Prospectus is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of L’Air Liquide, Air Liquide Finance, the Arranger or the Dealers that any recipient of this Debt Issuance Programme Prospectus or any other information incorporated by reference should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Debt Issuance Programme Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arranger has reviewed or undertakes to review the financial condition or affairs of L’Air Liquide, Air Liquide Finance or the Air Liquide Group during the life of the arrangements contemplated by this Debt Issuance Programme 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 persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may to the extent permitted by applicable laws and regulations over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of 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 is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 calendar days after the issue date of the relevant Tranche and 60 calendar days after the date of the allotment of the relevant Tranche.**

*In this Debt Issuance Programme 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, references to “£”, “pounds sterling”, “GBP” and “Sterling” are to the lawful currency of the United Kingdom, references to “\$”, “USD” and “US 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 “CHF” and “Swiss francs” are to the lawful currency of Switzerland, references to “RMB”, “CNY” or “Renminbi” are to the Chinese Yuan Renminbi, the lawful currency of the People’s Republic of China, which, for the purpose of this document, excludes the Hong Kong Special Administrative Region of the People’s Republic of China, the Macau Special Administrative Region of the People’s Republic of China and Taiwan (the “PRC”) and reference to “Rouble” or “RUB” means the lawful currency of the Russian Federation.*

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## **FORWARD-LOOKING STATEMENTS AND SOURCES**

This Debt Issuance Programme Prospectus contains or incorporates by reference certain forward-looking statements that are based on estimates and assumptions. Forward-looking statements include statements with respect to the Issuers' or the Guarantor's future financial condition, results of operations, business and prospects and generally include all statements preceded by, followed by or that include the words "believe", "expect", "project", "anticipate", "seek", "estimate" or similar expressions. Although it is believed that the expectations reflected in these forward-looking statements are reasonable, there is no assurance that the actual results or developments anticipated will be realised or, even if realised, that they will have the expected effects on the business, financial condition or prospects of the Issuers.

These forward-looking statements speak only as of the date on which the statements were made, and no obligation has been undertaken to publicly update or revise any outlook or forward-looking statements made in this Debt Issuance Programme Prospectus or elsewhere as a result of new information, future events or otherwise, except as required by applicable laws and regulations.

This Debt Issuance Programme Prospectus contains or incorporates by reference certain statements regarding the competitive position of the Air Liquide Group using the words "global leadership", "world leader", "leader" and similar wording. Unless a specific source is mentioned, the source for such statements is Air Liquide Group based on revenue figures from the latest published accounts of the Group and its main competitors.

## **IMPORTANT NOTICES IN RESPECT OF THE PRESENTATION OF FINANCIAL INFORMATION**

L'Air Liquide reports its consolidated financial information in accordance with the International Financial Reporting Standards adopted by the European Union ("**IFRS**"), as prescribed by European Union Regulation No. 1606 of 19 July 2002, as amended. See section "Documents incorporated by reference" of this Debt Issuance Programme Prospectus for more information regarding the financial information of L'Air Liquide presented in, and incorporated by reference into, this Debt Issuance Programme Prospectus.

On 17 November 2015, L'Air Liquide announced an agreement to acquire the U.S.-based company Airgas, Inc. ("**Airgas**" and the "**Acquisition**"). The Acquisition was subsequently approved by the Board of Directors of each of L'Air Liquide and Airgas and by the Airgas shareholders. The Acquisition was completed on 23 May 2016 following the receipt by L'Air Liquide of the necessary antitrust and other regulatory approvals. Such approvals are to be followed by certain required disposals of business units or assets, the details of which are still being determined (the "**Disposals**"). On 20 May 2016, L'Air Liquide, through Air Liquide Finance as borrower, incurred USD11.6 billion of indebtedness pursuant to a bridge loan facility (the "**Acquisition Debt**"). The Acquisition Debt is expected to be refinanced through the combination of newly-issued debt securities (including offerings of dollar- and euro-denominated senior debt) and of a rights offering (the "**Refinancing**").

As of the date of this Debt Issuance Programme Prospectus, the steps required for the integration of Airgas within the Air Liquide Group are ongoing. See section "*Risk factors - Risks factors related to the Issuers and the Guarantor - Risks relating to the Acquisition of Airgas*" and "*Recent Developments of l'Air Liquide since 1 January 2016 - Airgas Acquisition*" of this Debt Issuance Programme Prospectus for additional information on the Acquisition.

The full perimeter of the Air Liquide Group going forward depends, in part, on the timing of the Disposals, which have not yet been consummated. In addition, the full operational impact of the business combination is still under review by the management and the advisors of L'Air Liquide. As a result of the foregoing considerations, no pro forma or aggregated financial information illustrating the impact of the Acquisition or the Disposals have been included or incorporated by reference in this Debt Issuance Programme Prospectus. It is expected that relevant pro forma financial information will be made public by L'Air Liquide once the assumptions required to prepare such pro forma financial information are stabilised.

If an investor wishes to review historical standalone financial information relating to Airgas, such information is currently available through the website of Airgas ([www.airgas.com](http://www.airgas.com)). No information included on the website of the SEC is incorporated by reference into, or otherwise forms part of, this Debt Issuance Programme Prospectus. Prospective investors should note that Airgas prepares its financial statements in U.S. dollars and reports its consolidated financial information in accordance with U.S. generally accepted accounting principles ("**U.S. GAAP**") which may limit the comparability of the consolidated financial information of L'Air Liquide with that of Airgas. Prospective investors are advised to consult their professional advisors for an understanding of the differences between U.S. GAAP and other systems of generally accepted accounting principles (including IFRS). See section "*Recent Developments of l'Air Liquide since 1 January 2016 - Airgas Acquisition*" for certain information and figures regarding Airgas. See also section "*Risk factors- Risk factors related to the Issuers and the Guarantor- Risks related to the presentation of financial information in this Debt Issuance Programme Prospectus*".

## **RISK FACTORS**

*The Issuers and/or the Guarantor, as the case may be, believe that the following factors may affect their ability to fulfil their obligations under the Notes issued under the Programme or the Guarantee, as the case may be. All of these factors are contingencies which may or may not occur and the Issuers and/or the Guarantor, as the case may be, are not in a position to express a view on the likelihood of any such contingencies occurring.*

*In addition, factors which the Issuers believe may be material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*The Issuers and/or the Guarantor, as the case may be, believe that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuers and/or the Guarantor, as the case may be, to pay interest, principal or other amounts on or in connection with any Notes or the Guarantee, as the case may be, may occur for other reasons. The risks described below are not the only risks the Issuers and/or the Guarantor, as the case may be, face. Additional risks and uncertainties not currently known to the Issuers or the Guarantor or that they currently believe to be immaterial could also have a material impact on their business operations. Prospective investors should also read the detailed information set out elsewhere in this Debt Issuance Programme Prospectus (including any documents incorporated by reference herein) and the Final Terms of the relevant Notes and reach their own views prior to making any decision to invest in the Notes.*

*Prospective investors should consult their own financial and legal advisers about risks associated with investment in a particular Series of Notes and the suitability of investing in the Notes in light of their particular circumstances.*

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

*Word and expressions beginning with a capitalised letter used but not otherwise defined in this section shall have the meaning ascribed to them in the section entitled “Terms and Conditions of the Notes” of this Debt Issuance Programme Prospectus.*

### **RISK FACTORS RELATING TO THE ISSUERS AND THE GUARANTOR**

#### **1 Risk factors relating to L’Air Liquide**

Please refer to section “Documents incorporated by reference” of this Debt Issuance Programme Prospectus.

#### **2 Risk factors relating to Air Liquide Finance**

To benefit from economies of scale and facilitate capital markets funding (bonds and commercial paper), the Air Liquide Group uses a special-purpose subsidiary, Air Liquide Finance. This subsidiary centralizes the Air Liquide Group’s funding activities, essentially in Europe, Americas, Asia and the Middle East.

As of 31 December 2015, Air Liquide Finance granted, directly or indirectly, the equivalent of 10.2 billion euros in loans and received 4.2 billion euros in cash surpluses as deposits. These transactions were denominated in 24 currencies (primarily Euro, USD, JPY, RMB, GBP, CHF, SGD and BRL) and extended to approximately 240 subsidiaries. The matching positions per currency within Air Liquide Finance, resulting from the currency hedging of intra-group loans and borrowings, ensure that these intra-group funding operations do not generate foreign exchange risk for the Air Liquide Group.

Furthermore, in certain specific cases (e.g. regulatory constraints, high country risk, partnership), the Air Liquide Group may decide to limit its risk by setting up independent funding for these subsidiaries in the local banking market, and by using credit risk insurance.

In addition, Air Liquide Finance manages the Air Liquide Group's interest rate and foreign exchange risks for the Air Liquide Group's subsidiaries in those countries when it is permissible under law.

For those reasons, investment considerations in connection with Air Liquide Finance relate to financial risks and liquidity risks of L'Air Liquide.

### **3 Risks relating to the presentation of financial information in this Debt Issuance Programme Prospectus**

As of the date of this Debt Issuance Programme Prospectus, the steps required for the integration of Airgas within the Air Liquide Group are ongoing (please refer to section "*Recent Developments of L'Air Liquide since 1 January 2016 - Airgas Acquisition*" for certain information and figures regarding Airgas and to 5. *Risks relating to the Acquisition of Airgas* below). The full perimeter of the Air Liquide Group going forward depends, in part, on the timing of the Disposals, which have not yet been consummated. In addition, the full operational impact of the business combination is still under review by the management and the advisors of L'Air Liquide. As a result of the foregoing considerations, no pro forma or aggregated financial information illustrating the impact of the Acquisition or the Disposals have been included or incorporated by reference in this Debt Issuance Programme Prospectus. It is expected that relevant pro forma financial information will be made public by L'Air Liquide once the assumptions required to prepare such pro forma financial information are stabilised.

Investors should note that the perimeter of the consolidated financial information presented in this Debt Issuance Programme Prospectus comprises the historical financial statements of L'Air Liquide prior to the Acquisition and the Disposals (and prior to the incurrence of the Acquisition Debt). The Acquisition is expected to potentially reinforce the global leadership position of the Air Liquide Group in particular through increasing its presence in North America and by generating significant synergies with respect to the combined business' results of operations. In addition, the Refinancing of the Acquisition Debt is expected to comprise additional equity and debt capital raising. Investors should note that the consolidated financial information presented in this Debt Issuance Programme Prospectus does not discuss such prospective impacts on the results of operations and financial condition of L'Air Liquide, the contours of which are not yet certain.

### **4 Information regarding Airgas has been obtained from public information and the accuracy or completeness of such information has not been verified by L'Air Liquide**

Although nothing has come to the attention of L'Air Liquide or its directors or officers that would indicate that any statements published by Airgas are inaccurate or incomplete, L'Air Liquide was not involved in the preparation of the reports, statements or releases published by Airgas and, therefore, cannot verify the accuracy or completeness of the information obtained from such reports, statements or releases or whether there has been any failure by Airgas to disclose facts or events that may have occurred, but that are unknown to L'Air Liquide, that may affect the significance or accuracy of the information contained in such reports, statements or releases. Furthermore, L'Air Liquide has not been involved in the preparation of the consolidated financial statements for Airgas and its subsidiaries, and therefore cannot confirm their accuracy or completeness or that of the adjustments and assumptions made in Airgas's accounting records.

### **5 Risks relating to the Acquisition of Airgas**

#### **5.1 Air Liquide will face risks related to its increased level of debt as a result of financing the Acquisition**

Air Liquide financed the Acquisition with a bridge loan facility of U.S.\$12.0 billion that is scheduled to mature in December 2016 (and which may be extended, subject to certain customary conditions, to December 2017). Air Liquide intends to refinance this bridge loan facility (which has been drawn for an amount of US\$11.6 billion by Air Liquide Finance as borrower), through the combination of newly-



issued debt securities (including offerings of dollar- and euro-denominated senior debt) and of a rights offering.

The financing arrangements in connection with the Acquisition may have significant consequences. Air Liquide's ability to refinance its bridge loan facility will depend upon market conditions. Unfavorable market conditions may increase Air Liquide's financing costs beyond what is currently anticipated. Failure to obtain refinancing on satisfactory terms or at all, or increased costs of financing, could have a material adverse effect on Air Liquide's results of operations, cash flows, liquidity, financial condition and credit rating. In particular, if Air Liquide is unable to raise the expected equity financing, it may be obliged to seek additional debt financing to refinance the bridge loan facility, increasing its total debt and its debt to equity ratio.

Following the Acquisition, the consolidated liabilities of Air Liquide also include outstanding Airgas indebtedness that was not refinanced in the amount of U.S.\$1,880 million in long-term and short-term indebtedness as of 23 May 2016 (including senior notes outstanding in an aggregate amount of U.S.\$1,550 million). L'Air Liquide S.A. has provided a guarantee in respect of the outstanding senior notes of Airgas.

However, the increased level of debt following the Acquisition may require the Air Liquide Group to dedicate a larger portion of its cash flow from operations to servicing its debt, which could have adverse consequences for Air Liquide.

## **5.2 The Acquisition and incurrence of related debt could cause a downgrading of Air Liquide's ratings and Airgas's senior notes ratings**

Air Liquide's borrowing costs and access to the debt capital markets depend to some extent on the credit ratings assigned by the rating agencies. As was anticipated, L'Air Liquide S.A.'s long-term debt credit rating was downgraded by two notches, from A+ to A-, by S&P upon the completion of the Acquisition. In addition, L'Air Liquide S.A.'s long-term debt was granted a first time rating by Moody's of A3 and the rating of Airgas's outstanding senior notes was upgraded from BBB to A- by S&P and from Baa2 to A3 by Moody's upon the issuance of a guarantee of the senior notes by L'Air Liquide S.A. Despite the stable outlook on each such ratings, the rating agencies may further downgrade Air Liquide's credit ratings below their current levels, which may consequently result in a downgrade of Airgas's senior notes ratings, should the integration of Airgas not generate the anticipated synergies, should the equity component of the Acquisition financing be less than expected, should Air Liquide's debt increase more than anticipated, or for other credit-related concerns. Any credit rating downgrade could adversely affect the ability of Air Liquide to finance its ongoing operations and to refinance its indebtedness, increase Air Liquide's financing expenses and adversely affect its financial condition.

## **5.3 Air Liquide may not be able to retain Airgas's key managers or employees following the Acquisition**

Beyond the expected evolution of Airgas's human resources, including planned departures that were anticipated independently of the Acquisition (such as moves or retirements), Air Liquide may face difficulties in retaining some of its own or Airgas's key employees due to uncertainties about or dissatisfaction with their new roles in the integrated organization following the Acquisition. As part of the integration process, Air Liquide will have to address issues inherent to the management and integration of a greater number of employees with distinct backgrounds, profiles, compensation structures and cultures, which could lead to disruption in its ability to run its operations as intended. The Air Liquide Group plans to deploy retention programs for identified key employees.

#### **5.4 Air Liquide may fail to realize the synergies and other benefits anticipated from the Acquisition**

Although Air Liquide and Airgas are two companies of considerable size that function independently, with geographically dispersed operations and different business cultures and customer bases, both companies have solid experiences in acquiring other entities and achieving projected benefits of acquisitions, thanks to efficient integration processes.

The integration process relating to Airgas involves inherent costs and uncertainties. The synergies and other benefits that the Acquisition is expected to yield (including growth opportunities, cost savings, increased revenues and profits) may not develop as contemplated if Air Liquide is unable to successfully introduce Air Liquide products to Airgas's existing customer base, and vice versa, or to successfully complete the integration of the IT systems and business processes or as a result of legal restrictions in certain jurisdictions or of negative reaction of customers or suppliers to the Acquisition.

Completion of the Acquisition has required, and the successful integration of Airgas will continue to require, a significant amount of management time and, thus, may impair management's ability to run the business effectively during the integration period, although dedicated teams have been appointed to manage this process.

Although the estimated synergies and other benefits contemplated by the Acquisition are significant, any failures, material delays or unexpected costs of the integration process could have an adverse effect on the business and financial condition of Air Liquide.

#### **5.5 The due diligence by Air Liquide in connection with the Acquisition may not have revealed all relevant considerations or liabilities of Airgas**

Air Liquide conducted due diligence on Airgas in order to identify facts that it considered relevant to evaluate the Acquisition, including the determination of the price Air Liquide agreed to pay, and to formulate a business strategy. However, the information provided to Air Liquide and its advisors during the due diligence may nonetheless have been incomplete, inadequate or inaccurate. If the due diligence investigations failed to correctly identify material issues and liabilities that may be present in Airgas, or if Air Liquide did not correctly evaluate the materiality of some of the risks, Air Liquide may be subject to significant, previously undisclosed liabilities of the acquired business and/or subsequently incur impairment charges or other losses. If this were to occur, it could contribute to lower operational performance than what was originally expected or result in additional difficulties with respect to the integration plan.

#### **5.6 The acquisition of Airgas may trigger change of control clauses**

Airgas is a party to joint ventures, distribution agreements, supply contracts and debt and other instruments that may contain change of control or similar provisions. Although under certain agreements the relevant counterparties of Airgas have consented to the change of control prior to the completion of the Acquisition, the completion of the Acquisition may trigger or allegedly trigger other such clauses, which may provide for or permit the early termination of the relevant agreement(s), or result in other consequences that could have a material adverse effect on the business and financial condition of Air Liquide.

#### **5.7 Air Liquide and Airgas have incurred and will incur substantial transaction costs in connection with the Acquisition**

Air Liquide and Airgas have incurred and will continue to incur significant transaction fees and other costs associated with the Acquisition. These fees and costs include financing, financial advisory, legal

and accounting fees and expenses. Additional unanticipated costs may be incurred in the context of the Acquisition.

**5.8 The financial results of Air Liquide will be more exposed to foreign exchange fluctuations between the U.S. dollar and the euro following the Acquisition**

Air Liquide presents its financial statements in euro. Although Air Liquide already had a significant portion of assets and revenues denominated in non-euro currencies prior to the Acquisition, the exposure to foreign currencies will increase following the Acquisition, particularly in respect of the U.S. dollar, as a result of the significant assets and revenues of Airgas in the United States. In addition, Air Liquide faces increased foreign exchange exposure to the U.S. dollar as a result of Airgas's existing debt and the U.S. dollar-denominated debt that was raised under the bridge loan facility (which will be partly refinanced with a U.S. dollar bonds issuance) in order to finance the Acquisition. The Acquisition will also increase Air Liquide's general exposure to foreign currency translation risk as reflected in the Air Liquide Group's consolidated financial statements to the extent that a higher proportion of the Air Liquide Group's sales, costs, assets and liabilities will be denominated in U.S. dollars, and thus material fluctuations in the value of the euro relative to the U.S. dollar will have a greater effect on the Air Liquide Group's reported results than prior to the Acquisition.

## **RISK FACTORS RELATING TO THE NOTES**

### **1 General risk relating to the Notes**

#### **1.1 The Notes may not be a suitable investment for all investors**

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 investment in 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. In particular, each prospective investor should:

- a) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and the risks of investing in the relevant Notes and the information contained or incorporated by reference in this Debt Issuance Programme Prospectus or any applicable supplement and in the relevant Final Terms;
- b) have access to and knowledge of appropriate analytical tools to evaluate, in the context of its particular financial situation and sensitivity to the risk, an investment in the relevant Notes and the impact the relevant Notes will have on its overall investment portfolio;
- c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency;
- d) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant rates and financial markets; and
- e) be able to evaluate (either alone or with the help of its professional advisers) possible scenarios for economic interest rate and other factors that may affect its investment and its ability to face the applicable risks.

A prospective investor should not invest in the Notes unless it has the expertise (either alone or with the help of its professional advisers) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

A prospective investor may not rely on the Issuers 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 relevant Issuer. Although in relation to Notes to be listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and/or any other Regulated Market in the EEA, 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 EEA 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 the ordinary course of business, in lending, in investment banking, commercial banking and/or other financial advisory and commercial dealings with the Issuers and their affiliates and in relation to securities issued by any entity of the Air Liquide Group. They have or may, in the ordinary course of their business, (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 Air Liquide Group or (iii) act as financial advisers to the Issuers or other companies of the Air Liquide Group. In the context of these transactions, certain of such Dealers have or may hold shares or other securities issued by entities of the Air Liquide Group. Where applicable, they have or will receive customary fees and commissions for these transactions.

Each of the Issuers 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 where a Dealer acts as a calculation agent), 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.

For the purpose of this paragraph, the term “affiliates” include also parent companies.

### **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 Legality of Purchase**

Neither the Issuers, 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.

### **1.7 Credit ratings may not reflect all risks**

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

### **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 Debt Issuance Programme 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 conjunction with the taxation sections of this Debt Issuance Programme Prospectus.

### **1.9 Financial Transactions Tax (“FTT”)**

On 14 February 2013, the European Commission published a proposal (the “**Commission’s Proposal**”) for a Directive for a common FTT in Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Spain, Slovenia and Slovakia (the “**Participating Member States**”). Following ECOFIN Council meeting of 8 December 2015, Estonia officially announced its withdrawal from the negotiations.

The Commission’s Proposal has very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 should, however, be exempt. It would call for the Participating Member State to impose a tax of generally at

least 0.1% on all such transactions, generally determined by reference to the amount of consideration paid.

Under the current proposals, the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a Participating Member State. A financial institution may be, or be deemed to be, "established" in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a Participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a Participating Member State. The FTT proposal remains subject to negotiation between the Participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional Member States may decide to participate.

The mechanism by which the tax would be applied and collected is not yet known, but if the proposed directive or any similar tax were adopted, transactions in the Notes would be subject to higher costs, and the liquidity of the market for the Notes may be diminished.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT associated with subscribing for, purchasing, holding and disposing of the Notes.

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

The market value of the Notes will be affected by the creditworthiness of the relevant Issuer and a number of additional factors, including, but not limited to, the volatility of the 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 Noteholder.

#### **1.11 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 safeguard procedure (*procédure de sauvegarde accélérée*), an accelerated financial safeguard (*procédure de sauvegarde financière accélérée*), safeguard (*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 accelerated safeguard plan (*projet de plan de sauvegarde accélérée*), proposed accelerated financial safeguard plan (*projet de plan de sauvegarde financière accélérée*) proposed safeguard plan (*projet de plan de sauvegarde*) 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 Debt Issuance Programme Prospectus will not be applicable to the extent they are not in compliance with compulsory insolvency law provisions that apply in these circumstances.

### **1.12 Change of Law**

The Terms and Conditions of the Notes are based on French law and EU rules in effect as at the date of this Debt Issuance Programme Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in French law or EU rules, or their official application or interpretation, after the date of this Debt Issuance Programme Prospectus.

## **2 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 relevant 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 relevant Issuer, or on behalf of France, or any political subdivision thereof or any authority therein or thereof having power to tax, the relevant Issuer may redeem all outstanding Notes in accordance with the Terms and Conditions.

The relevant Issuer has also the option, if so provided in the relevant Final Terms, to redeem the Notes under a make-whole call option as provided in Condition 7(b), a call option as provided in Condition 7(c), a residual maturity call option as provided in Condition 7(d) or a clean-up call option as provided in Condition 7(e).

In addition, if in the case of any particular Tranche of Notes the relevant Final Terms specify 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 and may only be able to do so at a lower rate. Prospective investors should consider reinvestment risk in light of other investments available at that time.

### **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 (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 relevant 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 relevant 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.

### **2.7 Variable rate Notes with a multiplier or other leverage factor**

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

### **2.8 Zero Coupon Notes**

Changes in market interest rates have a substantially stronger impact on the prices of Zero Coupon Notes than on the prices of ordinary Notes because the discounted issue prices are substantially below par. If market interest rates increase, Zero Coupon Notes can suffer higher price losses than other Notes having the same maturity and credit rating. Due to their leverage effect, Zero Coupon Notes are a type of investment associated with a particularly high price risk.



## **2.9 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 for 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.

In addition, if, further to the exercise of such Change of Control Put Option, 80 per cent. or more of the initial aggregate principal amount of the Notes has been purchased and cancelled by the relevant Issuer, such Issuer has the option to redeem all of the remaining Notes without obtaining the prior consent of their holders.

## **2.10 Risks related to RMB Notes**

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

*RMB is not freely convertible and the liquidity of RMB Notes may be adversely affected*

RMB is not freely convertible at present. The PRC government continues to regulate conversion between RMB and foreign currencies. The People’s Bank of China (“**PBOC**”) has established RMB clearing and settlement systems for certain locations pursuant to settlement agreements relating to the clearing of RMB business between PBOC and certain clearing banks. However, the current size of RMB and RMB denominated financial assets outside the PRC remains limited, and its growth is subject to many constraints which are directly affected by PRC laws and regulations on foreign exchange and may adversely affect the liquidity of RMB Notes.

To the extent the Issuers are required to source Renminbi in the offshore market to service their RMB Notes, there is no assurance that they will be able to source such Renminbi on satisfactory terms, if at all.

*Risk of change in government support and regulatory regime*

There can be no assurance that the PRC government will continue to gradually liberalise its control over cross-border Renminbi remittances 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. In the event that funds cannot be repatriated outside the PRC in Renminbi, this may affect the overall availability of Renminbi outside the PRC and the ability of the Issuers to source Renminbi to finance their obligations under the RMB Notes.

*RMB currency risk*

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

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

*RMB exchange rate risk*

The value of RMB against foreign currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and by many other factors. The relevant Issuer will make all RMB payments under RMB Notes in RMB (subject to the second paragraph under the heading "RMB currency risk" above). As a result, the value of such payments in RMB (in foreign currency terms) may vary with the prevailing exchange rates in the marketplace. If the value of RMB depreciates against any foreign currencies, the value of an investor's investment in such applicable foreign currency terms will decline. In addition, the PBOC changed the way it calculates the mid-point price of RMB against the US Dollar. This change may increase volatility in the value of RMB against foreign currencies.

## 2.11 Risks relating to RUB Notes

***There are risks associated with the relative newness of debt instruments that are both denominated and settled in Roubles and the inexperience of both the Clearing Systems and the Russian and international banking systems in dealing with them.***

The Notes may be denominated and settled in Roubles. Offerings of debt instruments that are denominated and settled in Roubles are a relatively new phenomenon in the international capital markets. This, coupled with the relative inexperience of Euroclear France, Euroclear and Clearstream, Luxembourg (the "**Clearing Systems**") and the Russian and international banking systems in dealing with Rouble payments and Rouble accounts, could lead to unforeseen difficulties, which may have an adverse effect on the liquidity, marketability or trading price of such Notes. Due to the lack of experience of the Clearing Systems with settling, clearing and trading debt instruments that are both denominated and settled in Roubles, there can be no guarantee that such clearing, settlement and trading procedures will progress smoothly or in a way which is comparable to procedures carried out with respect to instruments denominated in more conventionally settled currencies, such as U.S. Dollars or euros.

Russian law previously prohibited or otherwise severely restricted the transfer and holding of Roubles offshore and their repatriation onshore. Although these restrictions have now been lifted (save for some restrictions which apply to the regime of residents' accounts held outside of the Russian Federation), there is still no specific tested framework under Russian law for transferring or holding Roubles in offshore Rouble accounts. As with much recent Russian legislation, there is extremely limited or non-existent regulatory or court practice in interpreting these regulations. If restrictions or prohibitions were placed on the transfer and holding of Roubles offshore or if such legislation was reinterpreted by the Russian regulators or courts to the effect that restrictions were still deemed to apply to the transfer and holding of Roubles offshore, this would severely hinder Noteholders' ability to receive payments into their offshore Rouble accounts of principal or interest under the relevant Notes or proceeds from the sale of such Notes.

Payments of principal and interest under the relevant Notes and proceeds from the sale of such Notes will be made in Roubles. All payments of Roubles to, from, or between Rouble accounts located

outside the Russian Federation will be made via onshore correspondent accounts within the Russian banking system. The Russian banking system is less developed than many of its Western counterparts and is relatively inexperienced in dealing with payments relating to Eurobonds or similar international debt instruments. Consequently there is a risk that payments of both principal and interest under the relevant Notes and proceeds from the sale of such Notes, which need to pass through the Russian banking system, will be subject to delays and disruptions which may not exist in more mature banking markets. In order for Noteholders to remove Roubles received from payments of principal and interest on the relevant Notes and proceeds from the sale of such Notes from the Clearing Systems, they will need to hold a bank account denominated in Roubles. Noteholders may also encounter procedural difficulties with opening Rouble accounts onshore in the Russian Federation or outside the Russian Federation. There can therefore be no guarantee that Noteholders will be able to readily open up a Rouble bank account either offshore or in the Russian Federation or transfer Rouble payments made under the relevant Notes out of the Clearing Systems.

## GENERAL DESCRIPTION ON THE PROGRAMME

The following overview is qualified in its entirety by the remainder of this Debt Issuance Programme Prospectus.

|                     |   |
|---------------------|---|
| <b>Issuers:</b>     | L'Air Liquide, <i>société anonyme pour l'Etude et l'Exploitation des Procédés Georges Claude</i> (“ <b>L'Air Liquide</b> “)<br>Air Liquide Finance  |
| <b>Guarantor:</b>   | L'Air Liquide in respect of Notes issued by Air Liquide Finance.  |
| <b>Description:</b> | Euro Medium Term Note Programme for the continuous offer of Notes (the “ <b>Programme</b> ”).   |
| <b>Arranger:</b>    | BNP PARIBAS   |
| <b>Dealers:</b>     | Banca IMI S.p.A.<br>Barclays Bank PLC<br>BNP PARIBAS<br>Citigroup Global Markets Limited<br>Commerzbank Aktiengesellschaft<br>Crédit Agricole Corporate and Investment Bank<br>Crédit Industriel et Commercial S.A.<br>HSBC France<br>Industrial and Commercial Bank of China (Europe)S.A., acting through its Paris branch<br>J.P. Morgan Securities plc<br>Mitsubishi UFJ Securities International plc<br>Mizuho International plc<br>Natixis<br>SMBC Nikko Capital Markets Limited<br>Société Générale<br>The Royal Bank of Scotland plc |

The Issuers 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 Debt Issuance Programme Prospectus to “**Permanent Dealers**” are to the persons listed above as Permanent Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to “**Dealers**” are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches. The identity of the Dealer(s) in respect of a specific Tranche will be disclosed in the relevant Final Terms.

At the date of this Debt Issuance Programme Prospectus, only credit institutions and investment firms incorporated in a member state of the European Union (“**EU**”) and which are authorised by the relevant authority of such member state to lead-manage bond

issues in such member state may, in the case of Notes to be listed on a Regulated Market, 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.

**Programme Limit:**

Up to €12,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.

The maximum aggregate principal amount of Notes which may be outstanding under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Amended and Restated Dealer Agreement.

**Fiscal Agent and Paying Agent:**

BNP Paribas Securities Services (affiliated with Euroclear France under number 29106).

**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 will be set out in a final terms to this Debt Issuance Programme Prospectus (the “**Final Terms**”).

**Maturities:**

Subject to compliance with all relevant laws, regulations and directives, any maturity from seven days from the date of original issue, as specified in the relevant Final Terms.

**Currencies:**

Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Euro, US Dollars, Japanese yen, Swiss francs, Sterling, Renminbi and in any other currency agreed between the relevant Issuer, the Guarantor and the relevant Dealers and specified in the Final Terms.

**Denomination(s):**

The Notes will be issued in such denomination(s) as may be agreed between the relevant 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 EEA in circumstances which require the publication of a Prospectus under the Prospectus Directive (given that any exemption regime, as set out in the Prospectus Directive, could apply in contemplation of the relevant issue) will be at least €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.

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 (the “FSMA”) unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent.

Dematerialised Notes will be issued in one denomination only.

**Status of the Notes:**

The principal and interest on the Notes constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 5) unsecured obligations of the relevant Issuer and rank and will at all times rank *pari passu* without preference among themselves and (save for certain obligations required to be preferred by law) at least equally and rateably with all other present or future unsecured and unsubordinated indebtedness and monetary obligations of the relevant Issuer, from time to time outstanding.

**Guarantee:**

The Guarantor has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be due and payable by Air Liquide Finance under the Notes and Coupons issued by it and in accordance with their terms and conditions. The obligations of the Guarantor in this respect arise pursuant to a guarantee (the “Guarantee”) executed by the Guarantor and dated 3 June 2016.

**Status of the Guarantee:**

The obligations of the Guarantor under the Guarantee constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 5) unsecured obligations of the Guarantor and shall at all times rank (save for certain obligations required to be preferred by law) equally and rateably with all other present or future unsecured and unsubordinated indebtedness and monetary obligations of the Guarantor.

**Negative Pledge:**

There will be a negative pledge in respect of the Notes and the Guarantee as set out in Condition 5. See “Terms and Conditions of the Notes - Negative Pledge”.

**Events of Default:**

**(including cross-default):**

There will be events of default and a cross-default in respect of the Notes as set out in Condition 10. See “Terms and Conditions of the Notes - Events of Default”.

**Redemption:**

Unless previously redeemed or purchased and cancelled, each Note shall be finally redeemed on the Maturity Date at its nominal amount. Unless permitted by laws and regulations in force at the relevant time, Notes (including Notes denominated in sterling) having a maturity of less than one year from the date of issue and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).

**Optional Redemption:**

The Issuers may have the option to redeem the Notes, (i) in whole or in part, at any time or from time to time, prior to their

Maturity Date and (ii) in whole but not in part, at any time as from the call option date, which shall be set out in the relevant Final Terms (as further set out in Condition 7).

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 relevant Issuer (either in whole or in part) and/or the Noteholders and, if so, the terms applicable to such redemption.

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 Issuers to redeem or, at the Issuers' option, procure the purchase of their Notes, as more fully set out in "Terms and Conditions of the Notes - Redemption, Purchase and Options".

**Early Redemption:**

Except as provided in "Optional Redemption" above, Notes will be redeemable at the option of the relevant Issuer prior to maturity only for tax reasons as set out in Condition 7. See "Terms and Conditions of the Notes - Redemption, Purchase and Options".

**Taxation in respect of the Notes issued by the Issuers:**

All payments of principal, interest and other revenues by or on behalf of the Issuers 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".

**Interest Periods and Interest Rates:**

The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Final Terms.

**Fixed Rate Notes:**

Fixed interest will be payable in arrears on the date or dates in each year specified in the relevant Final Terms.

**Floating Rate Notes:**

Floating Rate Notes will bear interest determined separately for each Series as follows:

(i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc. or

(ii) by reference to LIBOR or EURIBOR (or such other benchmark as may be specified in the relevant Final Terms), in

each case as adjusted for any applicable margin. Interest periods will be specified in the relevant Final Terms.

|  |  |
|--|--|
| <b>Zero Coupon Notes:</b>                        | Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.   |
| <b>Redenomination:</b>                           | Notes issued in the currency of any Member State of the EU which will participate in the single currency of the EMU may be redenominated into Euro, all as more fully provided in “Terms and Conditions of the Notes - Form, Denomination, Title and Redenomination” below.  |
| <b>Consolidation:</b>                            | 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”.   |
| <b>Form of Notes:</b>                            | <p>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 relevant Issuer, be issued in bearer dematerialised form (<i>au porteur</i>) only 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 “Notes – Form, Denomination, Title and Redenomination”.</p> <p>Materialised Notes will be in bearer form (“<b>Materialised Bearer Notes</b>”) 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.</p> |
| <b>Governing Law and Jurisdiction:</b>           | <p>The Notes (and, where applicable, the Coupons and the Talons) and all non-contractual obligations arising out of or in connection with them, and the Guarantee, are governed by, and shall be construed in accordance with French law.</p> <p>Any claim against the relevant Issuer in connection with any Notes, Coupons or Talons or the Guarantee may be brought before any competent court located in Paris.</p>  |
| <b>Central Depositary:</b>                       | Euroclear France in relation to Dematerialised Notes.  |
| <b>Clearing Systems:</b>                         | Clearstream, Luxembourg, Euroclear or any other clearing system (provided proper clearing and settlement procedures have previously been put in place) that may be agreed between the Issuers, 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 depositary.   |
| <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 relevant Issuer, the Fiscal Agent and the relevant Dealer.

**Issue Price:**

Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. The Issue Price of the Notes will be specified in the relevant Final Terms.

**Admission to Trading and Listing:**

The Luxembourg Stock Exchange or as otherwise specified in the relevant Final Terms. A Series of Notes may or may not be listed and admitted to trading.

**Method of Publication of the Debt Issuance Programme Prospectus and the Final Terms:**

This Debt Issuance Programme Prospectus and the Final Terms related to Notes admitted to trading will be published, if relevant, on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and/or on the website of the relevant Issuer, as the case may be, and copies may be obtained from the Fiscal Agent and each of the Paying Agents, or through any other means in accordance with the terms of Article 14 of the Prospectus Directive. The Final Terms will indicate where the Debt Issuance Programme Prospectus may be obtained.

**Rating:**

The Programme has been rated A- by Standard & Poor's Ratings Services, and A3 by Moody's Investors Service.

L'Air Liquide's long-term rating is A- by Standard & Poor's Ratings Services and A3 by Moody's Investors Service and its short-term rating is A2 by Standard & Poor's Ratings Services and P-2 by Moody's Investors Service.

As of the date of this Debt Issuance Programme Prospectus, S&P is established in the European Union and is registered under Regulation (EC) No.1060/2009 on credit ratings agencies, as amended (the "**CRA Regulation**") and included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority's website ([www.esma.europa.eu/page/List-registered-and-certified-CRAs](http://www.esma.europa.eu/page/List-registered-and-certified-CRAs)) as of the date of this Base Prospectus.

Tranches of Notes issued under the Programme may be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the ratings assigned to the Programme.

The relevant Final Terms will specify whether or not credit ratings are issued by a credit rating agency established in the European Union and registered under the CRA Regulation.

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

**Selling Restrictions:**

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

Sale”.

The Notes to be issued by each Issuer qualify under Category 2 for the purposes of Regulation S under the Securities Act.

Materialised Notes will be issued in compliance with US Treas. Reg. §1.163-5(c)(2)(i)(D) (the “**D Rules**”) unless 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 circumstance 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.

**Risk Factors:**

The risk factors relating to the Issuers, the Guarantor and the Notes are described in the section entitled “Risk Factors”.

## DOCUMENTS INCORPORATED BY REFERENCE

This Debt Issuance Programme Prospectus shall be read and construed in conjunction with the following documents which have been previously published or are published simultaneously with this Debt Issuance Programme Prospectus, that have been filed with the *Commission de surveillance du secteur financier* in Luxembourg and which contain information that is incorporated by reference in, and form part of, this Debt Issuance Programme Prospectus in accordance with the below cross-reference tables:

- (1) the English version of the 2015 reference document, excluding the logo of the *Autorité des marchés financiers* and the paragraphs appearing below the logo on page 1, the “Certification by the person responsible for the Reference Document” appearing on page 359 and the “Cross-reference table” appearing on pages 360 to 363 (the 2015 reference document excluding the sections referred to above, the “**2015 Reference Document**”). This document includes the audited consolidated annual financial statements and related audit report for the financial year ended 31 December 2015 of L’Air Liquide;
- (2) the English version of the 2014 reference document, excluding the logo of the *Autorité des marchés financiers* and the paragraphs appearing below the logo on page 1, the “Certification by the person responsible for the Reference Document” appearing on page 346 and the “Cross-reference table” appearing on pages 347 to 350 (the 2014 reference document excluding the sections referred to above, the “**2014 Reference Document**”). This document includes the audited consolidated annual financial statements and related audit report for the financial year ended 31 December 2014 of L’Air Liquide;
- (3) the French language non-consolidated annual financial statements of Air Liquide Finance as of and for the year ended 31 December 2015;
- (4) the French language non-consolidated annual financial statements of Air Liquide Finance as of and for the year ended 31 December 2014;
- (5) the English version of the First Quarter 2016 Revenue Report of L’Air Liquide;
- (6) the terms and conditions of the notes contained in the debt issuance programme prospectus dated 23 May 2014 (the “**2014 EMTN Conditions**”); and
- (7) the terms and conditions of the notes contained in the debt issuance programme prospectus dated 20 May 2015 (the “**2015 EMTN Conditions**” and together with the 2014 EMTN Conditions, the “**Previous EMTN Conditions**”).

For the avoidance of doubt, it is specified that the information contained in the above mentioned documents that is not referred to in the cross-reference tables below is not incorporated by reference in this Debt Issuance Programme Prospectus. Such information as well as the Previous EMTN Conditions are considered as additional information provided for information purposes only. It is not required by the relevant schedules of the Commission Regulation No. 809/2004, as amended.

The information incorporated by reference in this Debt Issuance Programme Prospectus is that referred to in the following cross-reference tables. L’Air Liquide takes responsibility for the English versions of the 2014 Reference Document, 2015 Reference Document and the First Quarter 2016 Revenue Report of L’Air Liquide subject to the Responsibility Statement on page 109 of this Debt Issuance Programme Prospectus. In the event of any inconsistencies between a statement in the English version of the documents above and the corresponding statement in the French version, the corresponding statement in the French version will prevail. For the avoidance of doubt, the French versions of the English language documents incorporated by reference above are not incorporated by reference in this Debt Issuance Programme Prospectus.

The annual financial statements of Air Liquide Finance are available in French language only.

Air Liquide Finance does not publish interim financial statements.

| <b>L’Air Liquide</b>   |  | <b>2015 Reference Document</b>            | <b>2014 Reference Document</b> |
|--|--|---|--------------------------------|
| <b>Risk Factors</b>  | Prominent disclosure of risk factors that may affect the Issuer’s ability to fulfil its obligation under the securities to investors | Pages 26 to 31, 140 to 146 and 253 to 263 | -                              |
| <b>Financial information concerning the Issuer’s assets and liabilities, financial position and profits and losses</b> | Audited historical financial information for the latest two or three financial years   | Pages 201 to 295                          | Pages 197 to 292               |
|  | Consolidated Income statement  | Page 201                                  | Page 197                       |
|  | Statement of net income and gains and losses recognised directly in equity   | Page 202                                  | Page 198                       |
|  | Consolidated Balance Sheet   | Page 203                                  | Page 199                       |
|  | Consolidated Statement of Cash Flows   | Pages 204 and 205                         | Pages 200 and 201              |
|  | Consolidated Statement of Changes in Equity  | Pages 206 and 207                         | Pages 202 and 203              |
|  | Accounting principles  | Pages 208 to 220                          | Pages 204 to 214               |
|  | Explanatory notes: segment information, income statement, balance sheet, others  | Pages 221 to 267                          | Pages 215 to 265               |
|  | Organisational structure   | Pages 268 to 270                          | Pages 266 to 268               |
|  | Audit report for the latest financial year   | Pages 272 and 273                         | Pages 270                      |
| <b>Trend Information</b>   |  | Page 64                                   | -                              |
| <b>Administrative, Management, and Supervisory Bodies</b>  | Board of Directors   | Pages 120, 121 and 185 to 196             | -                              |
|  | Executive Committee  | Page 122                                  | -                              |
| <b>Board Practices</b>   | Corporate Governance   | Pages 123, 139 and 140, 354               | -                              |
|  | Audit and Accounts Committee, Appointment and Governance Committee and Remuneration Committee  | Pages 132 to 138                          | -                              |
| <b>Business Overview</b>   | Principal activities   | Pages 15 to 25                            | -                              |
|  | Principal markets (including the   | Pages 2,3, 15 to 26, 32                   | -                              |

| <b>L'Air Liquide</b>                     |  | <b>2015 Reference Document</b>   | <b>2014 Reference Document</b> |
|--|--|--|--------------------------------|
|  | competitive position of L'Air Liquide)   | to 42, 62 to 63, 222 to 225  |                                |
|  | Performance and highlights of the year   | Pages 13, 14, 32 to 44   | -                              |
| <b>Financing Strategy</b>                |  | Pages 45 to 52   | -                              |
| <b>Investments</b>                       |  | Pages 43 to 49, 204, 222, 265  | -                              |
| <b>Legal and arbitration proceedings</b> |  | Pages 30, 241, 266   | -                              |
| <b>Material Contracts</b>                |  | Pages 265 and 266  | -                              |
| <b>Share capital</b>                     |  | Pages 152 to 159, 176 to 184, 206 and 207, 238 to 240, 265, 284, 303 to 306, 340 to 342, 347 and 348 | -                              |
| <b>Major Shareholders</b>                |  | Pages 341 to 342   | -                              |
| <b>Annual Shareholders' Meetings</b>     | Resolutions proposed for approval at the Ordinary and Extraordinary Shareholders' Meetings | Pages 307 to 326   | -                              |
| <b>New Products</b>                      |  | Pages 53 to 61   | -                              |

| <b>L'Air Liquide</b>   |                                       | <b>First Quarter 2016 Revenue Report</b> |
|--|---------------------------------------|--|
| <b>Unaudited Financial information concerning the Issuer's Revenue</b> | <b>Unaudited Consolidated Revenue</b> | Pages 1 to 14                            |

| <b>Air Liquide Finance</b>  |   | <b>Financial statements 2015</b> | <b>Financial statements 2014</b> |
|---|---|----------------------------------|----------------------------------|
| Financial information concerning the Issuer's assets and liabilities, financial position and profits and losses | Audited historical financial information for the latest two financial years | Pages 1 to 17                    | Pages 1 to 17                    |
|   | Balance Sheet   | Pages 4 and 5                    | Pages 3 and 4                    |
|   | Income statement  | Page 6                           | Page 5                           |
|   | Accounting policies   | Pages 8 and 9                    | Pages 8 and 9                    |
|   | Explanatory notes   | Pages 10 to 17                   | Pages 10 to 17                   |
|   | Equity variations during the year   | Page 11                          | Page 11                          |

|  |  |               |               |
|--|--|---------------|---------------|
| Audit report for the latest financial year |  | Pages 1 and 2 | Pages 1 and 2 |
|--|--|---------------|---------------|

| <b>Previous EMTN Conditions</b> |                |
|---------------------------------|----------------|
| 2015 EMTN Conditions            | Pages 29 to 59 |
| 2014 EMTN Conditions            | Pages 28 to 56 |

Any statement contained in this Debt Issuance Programme Prospectus, including through incorporation by reference shall be modified or superseded for the purpose of this Debt Issuance Programme Prospectus to the extent that it is modified or incorporated by way of a supplement prepared in accordance with Article 16 of the Prospectus Directive.

So long as any of the Notes are outstanding, all documents containing information that is incorporated by reference in this Debt Issuance Programme Prospectus may be obtained upon request, free of charge, at the specified offices of each Paying Agent set out at the end of this Debt Issuance Programme Prospectus during normal business hours.

This Debt Issuance Programme Prospectus and the documents containing information that is incorporated by reference therein will be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

## **SUPPLEMENT TO THE DEBT ISSUANCE PROGRAMME PROSPECTUS**

If at any time L'Air Liquide or Air Liquide Finance shall be required to prepare a supplement to the Debt Issuance Programme Prospectus pursuant to the provisions of the Prospectus Act 2005 in Luxembourg implementing Article 16 of the Prospectus Directive, because of the occurrence or disclosure at any time during the duration of the Programme of a significant new factor, material mistake or inaccuracy relating to the information included in this Debt Issuance Programme Prospectus, L'Air Liquide and/or Air Liquide Finance undertake, *inter alia*, to the Dealers, and to the Luxembourg Stock Exchange to prepare and make available an appropriate supplement to this Debt Issuance Programme Prospectus or a restated Debt Issuance Programme Prospectus, which in respect of any subsequent issue of Notes to be listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange or on a EEA Regulated Market, shall constitute a supplement to the Debt Issuance Programme Prospectus for the purpose of the relevant provisions of the Prospectus Act 2005.

L'Air Liquide and Air Liquide Finance shall submit such supplement or restated Debt Issuance Programme Prospectus to the *Commission de surveillance du secteur financier* in Luxembourg for approval and supply each Dealer and the Luxembourg Stock Exchange with such number of copies of such supplement as may reasonably be requested. All documents prepared in connection with the Programme will be available at the specified office of the Paying Agent.

## 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 Final Terms, shall be applicable to the Notes. Provisions in square brackets shall apply to Notes issued by Air Liquide Finance, which will have the benefit of a guarantee by the Guarantor. Such provisions will not apply to Notes issued by the Guarantor. 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 by the relevant Final Terms. In the case of Materialised Notes, either (i) the full text of these terms and conditions together with the relevant provisions of 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 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.*

The Notes are issued by Air Liquide Finance (“**Air Liquide Finance**”, or an “**Issuer**”) and L’Air Liquide S.A. (“**L’Air Liquide**”, in its capacity as guarantor of Notes issued by Air Liquide Finance, the “**Guarantor**” or, in its capacity as issuer, an “**Issuer**”) (together with Air Liquide Finance, the “**Issuers**”) with the benefit of an amended and restated agency agreement dated 3 June 2016 (the “**Amended and Restated Agency Agreement**”) between the Issuers, the Guarantor, BNP Paribas Securities Services as fiscal agent and the other agents named in it, and with the benefit of a guarantee dated 3 June 2016 (as amended or supplemented from time to time, the “**Guarantee**” executed by the Guarantor in relation to the Notes). 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)**”. Terms between square brackets shall apply to Notes issued by Air Liquide Finance and guaranteed by L’Air Liquide.

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, and appearing on the list of regulated markets issued by the European Securities and Markets Authority.

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

Copies of the Amended and Restated Agency Agreement and the Guarantee are available for inspection during normal business hours at the specified offices of each of the Paying Agents.

### 1 Form, Denomination(s), Title and Redenomination

- (a) **Form:** Notes may be issued either in dematerialised form (“**Dematerialised Notes**”) or in materialised form (“**Materialised Notes**”), as specified in the relevant Final Terms.
  - (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 relevant Issuer and as specified in the relevant Final Terms (the “**Final Terms**”), in either bearer dematerialised form (*au porteur*) only, in which case they will be inscribed in the books of Euroclear France S.A. (acting as



central depository) (“**Euroclear France**”) which shall credit the accounts of Euroclear France 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 a Euroclear France Account Holder or in fully registered form (*au nominatif pur*) inscribed in an account in the books of Euroclear France maintained by the Issuer or the Registration Agent (designated in the relevant Final Terms) acting on behalf of the Issuer (the “**Registration Agent**”).

Pursuant to article L.228-2 of the French *Code de commerce*, the Issuer may require the identification of the Noteholders in accordance with French law unless such right is expressly excluded in the relevant Final Terms.

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

- (ii) Materialised Notes are issued in bearer form (“**Materialised Bearer Notes**”). Materialised Bearer Notes are serially numbered and are issued with interest coupons (the “**Coupons**”) (and, where appropriate, a talon (“**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 an EEA Regulated Market in circumstances which require the publication of a Debt Issuance Programme Prospectus under the Prospectus Directive will be at least €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 Euroclear France 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 of 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 Euroclear France Account Holder or the relevant 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:**

If such Condition 1(d) is specified in the relevant Final Terms as being applicable, the relevant Issuer may, without the consent of any of the holders of any Note, Coupon or Talon, by giving at least 30 calendar days’ notice in accordance with Condition 15, redenominate on any Interest Payment Date all, but not some only, of the Notes of any Series into Euro and adjust the aggregate principal amount and the Specified Denomination(s) on or after the date on which the Member State of the European Union in whose national currency such Notes are denominated has become a participant member in the third stage of the European economic and monetary union (“**EMU**”), as described below. The date on which such redenomination becomes effective shall be referred to in these Conditions as the “**Redenomination Date**”.

Unless otherwise specified in the relevant Final Terms, the redenomination of the Notes pursuant to Condition 1(d) 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. For the avoidance of doubt, the minimum denomination of each redenominated Note shall not be less than €100,000.

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.

Unless otherwise specified in the relevant Final Terms, the Issuer may, with the prior approval of the Fiscal 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 of 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 Noteholders. Any such changes or additions shall, in the absence of

manifest error, be binding on the holder of Notes, Coupons and Talons and shall be notified to Noteholders in accordance with Condition 15 as soon as practicable thereafter.

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.

## **2 Conversion and Exchanges of Notes**

### **(a) Dematerialised Notes:**

Dematerialised Notes being 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*).

Dematerialised Notes issued in registered dematerialised form (*au nominatif*) may not be converted into Dematerialised Notes in bearer dematerialised form (*au porteur*).

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 Guarantee**

The Guarantor has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be due and payable by Air Liquide Finance under the Notes and Coupons issued by it and in accordance with their terms and conditions. The obligations of the Guarantor in this respect arise pursuant to a Guarantee executed by the Guarantor and dated 3 June 2016.

## **4 Status**

### **(a) Status of the Notes:**

The principal and interest on the Notes constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 5) unsecured obligations of the relevant Issuer and rank and will at all times rank *pari passu* without any preference among themselves and (save for certain obligations required to be preferred by law) at least equally and rateably with all other present or future unsecured and unsubordinated indebtedness and monetary obligations of the relevant Issuer, from time to time outstanding.

### **(b) Status of the Guarantee:**

The obligations of the Guarantor under the Guarantee, if any, constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 5) unsecured obligations of the Guarantor and shall at all times rank (save for certain obligations required to be preferred by law) equally and rateably with all other present or future unsecured and unsubordinated indebtedness and monetary obligations of the Guarantor.

## 5 Negative Pledge

So long as any of the Notes or, if applicable, any Coupons relating to them, remain outstanding, the relevant Issuer or, as the case may be, the Guarantor, will not create any mortgage, charge, pledge or other security interest (*sûreté réelle*) upon any of their respective assets or revenues, present or future, to secure any Relevant Indebtedness (as defined below) or any guarantee in respect of any Relevant Indebtedness (whether before or after the issue of Notes) unless such Issuer's obligations under the Notes and Coupons are (i) secured equally and rateably with such Relevant Indebtedness or guarantee in respect thereof, or (ii) are given the benefit of such other security, guarantee or arrangement as shall be approved by the Noteholders in accordance with Condition 12.

For the purposes of this Condition:

**“Relevant Indebtedness”** means any indebtedness for borrowed money represented by bonds or notes (*obligations*) which are for the time being, or are capable of being, quoted, listed or ordinarily dealt in on any stock exchange or any other regulated securities market.

**“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 monies (including all interest accrued on such Notes to the date for such redemption and any interest payable under the Conditions after such date) have been duly paid (i) in the case of Dematerialised Notes in bearer form and in administered registered form, to the relevant Euroclear France Account Holders on behalf of the Noteholder as provided in Condition 8(a), (ii) in the case of Dematerialised Notes in fully registered form, to the account of the Noteholder as provided in Condition 8(a) and (iii) in the case of Materialised Notes, to the Fiscal Agent as provided in the Amended and Restated Agency 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 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.

## 6 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 system (known as TARGET 2) or any successor thereto (the **“TARGET System”**) is operating (a **“TARGET Business Day”**) and/or
- (ii) in the case of a specified currency other than euro or 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 such currency and/or
- (iii) in relation to any sum payable in Renminbi, a day (other than a Saturday, Sunday or public holiday) 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

- (iv) in the case of a currency and/or one or more business centres 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, the “**Calculation Period**”):

- (i) if “**Actual/365**” or “**Actual/Actual-ISDA**” is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)
- (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:
- (x) 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
- (y) 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

- (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 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (a) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)) and
- (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 (the number of days to be calculated on the basis of a

year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of a Calculation Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)

“**Effective Date**” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such in the relevant Final Terms or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates

“**Euro-zone**” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended

“**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, as specified in the relevant Final Terms

“**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., and as amended as the case may be at the issue date of the first Tranche of the relevant Series

“**Page**” means such page, section, caption, column or other part of a particular information service (including, but not limited to, Reuters Markets 3000 (“**Reuters**”)) as may be specified for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate

“**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, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market or, if otherwise, the principal offices of five major banks in the Relevant 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 Financial Centre**” means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the financial centre as may be specified as such in the relevant Final Terms or, if none is so specified, the financial centre with which the relevant Benchmark is most closely connected (which, in the case of EURIBOR, shall be the Euro-zone) or, if none is so connected, Paris

“**Relevant Inter-Bank Market**” means such inter-bank market as may be specified in the relevant Final Terms

“**Relevant Rate**” means the Benchmark for a Representative Amount of the Specified Currency for a period (if applicable or appropriate to the Benchmark) equal to the Specified Duration commencing on the Effective Date

“**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

“**Relevant Screen Page Time**” means such relevant Screen Page Time as may be specified in the relevant Final Terms

“**Relevant Time**” means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the relevant Final Terms or, if no time is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Specified Currency in the interbank market in the Relevant Financial Centre or, if no such customary local time exists, 11.00 hours in the Relevant Financial Centre and for the purpose of this definition “**local time**” means, with respect to Europe and the Euro-zone as a Relevant Financial Centre, Central European Time

“**Representative Amount**” means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the amount specified as such in the relevant Final Terms or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time

“**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 and

“**Specified Duration**” means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the duration specified in the relevant Final Terms or, if none is specified, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to Condition 6(c)(ii).

- (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. 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 Specified 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. Notwithstanding the foregoing, where the relevant Final Terms specify that the relevant Business Day Convention is to be applied on an “unadjusted” basis, the Interest Amount payable on any date shall not be affected by the application of the relevant Business Day Convention.

(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 according to 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 (i) 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) or (ii) if otherwise, the Relevant Screen Page Time 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 sub-paragraph (a)(i) applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (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, (i) if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, (ii) if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks or, (iii) if otherwise, 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), if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if otherwise, at the Relevant Screen Page 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), if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if otherwise, at the Relevant Screen Page 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, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if otherwise, the Relevant 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), if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if otherwise, at the Relevant Screen Page 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, if the Reference Rate is EURIBOR, the Euro zone inter-bank market or, if otherwise, the Relevant 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, Rate Multiplier or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that 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) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified to be Zero Coupon 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 7(g)(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 judgement) at the Rate of Interest in the manner provided in this Condition 6 to the Relevant Date.

- (f) **Margin, Maximum/Minimum Rates of Interest and Redemption Amounts, Rate Multipliers and Rounding:**
- (i) If any Margin or Rate Multiplier is specified in the relevant Final Terms (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (c) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin or multiplying by such Rate Multiplier, 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:** As soon as practicable after the relevant time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, it shall determine such rate and calculate the Interest Amounts in respect of each Specified Denomination of the Notes for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Optional Redemption Amount 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 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 relevant 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 of such Regulated Market so require, such exchange 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 6(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. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. 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 and Reference Banks:** The relevant Issuer shall procure that there shall at all times be four Reference Banks (or such other number as may be required) with offices in the Relevant Financial Centre and 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 in the Amended and Restated Agency Agreement). If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the relevant Issuer shall appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the relevant 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 Luxembourg 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.
- (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 the Relevant Time as specified in the relevant Final Terms 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 adjustment of the Interest Period, if the Interest Payment Date is not a Business Day. If the Notes become due and payable under Condition 10, 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.

## 7 Redemption, Purchase and Options

- (a) **Final Redemption:** Unless previously redeemed or purchased and cancelled as provided below in accordance with this Condition 7 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) **Make-Whole Redemption by the Issuer:** If a Make-Whole Redemption by the relevant Issuer is specified in the relevant Final Terms, in respect of any issue of Notes, the relevant Issuer will, subject to compliance by the relevant Issuer with all relevant laws, regulations and directives and on giving not less than 15 nor more than 30 calendar 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), have the option to redeem the Notes, in whole or in part, at any time or from time to time, prior to their Maturity Date (the "**Optional Redemption Date**") at their Optional Redemption Amount. The Optional Redemption Amount will be calculated by the Calculation Agent and will be the greater of (x) 100 per cent. of the nominal amount of the Notes so redeemed and, (y) the sum of the then present values of the remaining scheduled payments of principal and interest on such Notes (not including any interest accrued on the Notes to, but excluding, the relevant Optional Redemption Date) discounted to the relevant Optional Redemption Date on an annual basis at the Redemption Rate plus a Redemption Margin (as specified in the relevant Final Terms), plus in each case (x) or (y) above, any interest accrued on the Notes to, but excluding, the Optional Redemption Date.

The "**Redemption Rate**" is the average of the four quotations given by the Reference Dealers of the mid-market annual yield to maturity of the Reference Security (as specified in the relevant Final Terms) on the fourth business day preceding the Optional Redemption Date at 11.00 a.m. (Central European time (CET)).

"**Reference Dealers**" means each of the four banks selected by the Calculation Agent which are primary European government security dealers, and their respective successors, or market makers in pricing corporate bond issues or as specified in the relevant Final Terms.

If the Reference Security is no longer outstanding, a Similar Security (as specified in the relevant Final Terms) will be chosen by the Calculation Agent at 11.00 a.m. (Central European time (CET)) on the third business day in London preceding the Optional Redemption Date, quoted in writing by the Calculation Agent to the relevant Issuer and notified in accordance with Condition 15.

The Redemption Rate will be notified by the relevant Issuer in accordance with Condition 15.

The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

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

In the case of a partial redemption of, or a partial exercise of an Issuer's option in respect of, Dematerialised Notes of any Series, the redemption may be effected, at the option of the relevant Issuer, either (i) by reducing the nominal amount of all such Dematerialised Notes 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 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 stock exchange requirements. In no event, the outstanding nominal amount of each Note following such reduction shall be below any amount which would prevent the relevant Issuer from choosing its home Member State (as such term is defined in the Prospectus Directive).

Any notice given by the relevant Issuer pursuant to this Condition 7(b) shall be deemed void and of no effect in relation to any Note in the event that, prior to the giving of such notice by the Issuer, the relevant Noteholder had already delivered an Exercise Notice in relation to such Note in accordance with Condition 7(f) below.

So long as the Notes are listed and admitted to trading on any Regulated Market and the rules of such Regulated Market so require, the relevant Issuer shall, once in each year in which there has been a partial redemption of the Notes, cause to be published in a leading newspaper with general circulation in the city where the Regulated Market is located or, so long as the Notes are listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and so long as the rules of the Luxembourg Stock Exchange so permit, on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://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 the Issuer, Exercise of Issuer's Options and Partial Redemption:** If a Call Option is specified in the relevant Final Terms, the relevant Issuer may, on giving not less than 15 nor more than 30 calendar 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, or exercise any Issuer's option (as may be described) in relation to, all or, if so provided, some, of the Notes on any Optional Redemption Date or Option Exercise Date, as the case may be. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption, if any. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the minimum nominal amount to be redeemed specified in the relevant Final Terms and no greater than the maximum nominal amount to be redeemed specified in the relevant Final Terms.

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

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

In the case of a partial redemption of or a partial exercise of an Issuer's option in respect of Dematerialised Notes of any Series, the redemption may be effected, at the option of the relevant Issuer, either (i) by reducing the nominal amount of all such Dematerialised Notes 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 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 stock exchange requirements.

So long as the Notes are listed and admitted to trading on any Regulated Market and the rules of such Regulated Market so require, the relevant Issuer shall, once in each year in which there has been a partial redemption of the Notes, cause to be published in a leading newspaper with general circulation in the city where the Regulated Market is located or, so long as the Notes are listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and so long as the rules of the Luxembourg Stock Exchange so permit, on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://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.

(d) **Residual Maturity Call Option:**

If a Residual Maturity Call Option is specified in the relevant Final Terms, the relevant Issuer may, on giving not less than 15 nor more than 30 calendar days' irrevocable notice (or such other notice period if specified in the relevant Final Terms) in accordance with Condition 15 to the Noteholders redeem the Notes, in whole but not in part, at par together with interest accrued to, but excluding, the date fixed for redemption, at any time as from the "Call Option Date" specified in the relevant Final Terms, which shall be no earlier than (i) three months before the Maturity Date in respect of Notes having a maturity of not more than ten years or (ii) six months before the Maturity Date in respect of Notes having a maturity of more than ten years, until the Maturity Date.

For the purpose of the preceding paragraph, the maturity of not more than ten years or the maturity of more than ten years shall be determined as from the Issue Date of the first Tranche of the relevant Series of Notes.

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.

(e) **Clean-Up Call Option:**

If so specified in the relevant Final Terms, in the event that at least 80 per cent. of the initial aggregate principal amount of the Notes has been purchased and cancelled by the Issuer, the Issuer may, at its option (the "**Clean-Up Call Option**") but subject to having given not less than 15 nor more than 30 calendar days' irrevocable notice to the Noteholders in accordance with Condition 15, redeem all, but not some only, of the outstanding Notes at their Clean-Up Redemption Amount together with any interest accrued to the date set for redemption (as specified in the relevant Final Terms).

(f) **Redemption at the Option of Noteholders and Exercise of Noteholders' Options:**

**(A) Redemption at the Option of the Noteholders following a Put Option:**

If a Put Option is specified in the relevant Final Terms, the relevant Issuer shall, at the option of the Noteholder, upon the Noteholder giving not less than 15 nor more than 30 calendar 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 or any other Noteholders' option that may be set out in the relevant Final Terms (which must be exercised on an Option Exercise Date) the Noteholder must deposit with a Paying Agent at its specified office a duly completed option exercise notice (the "**Exercise Notice**") in the form obtained from any Paying Agent, within the notice period. In the case of Materialised Bearer Notes, the Exercise Notice shall have attached to it the relevant Notes (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 Fiscal Agent or the Paying Agent with a specified office in Paris as 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.

**(B) Redemption at the Option of Noteholders following a Change of Control Put Option:**

If a Change of Control Put Option is specified in the relevant Final Terms and if at any time while any Note remains outstanding there occurs (i) a Change of Control and (ii) within the Change of Control Period a Rating Downgrade occurs as a result of that Change of Control or as a result of a Potential Change of Control (the occurrence of (i) and (ii) together constitutes a "**Put Event**"), then the holder of each Note will have the option (the "**Put Option**") (unless, prior to the giving of the Put Event Notice (as defined below), the Issuer gives notice of its intention to redeem the Note under Condition 7) to require the Issuer to redeem or, at the Issuer's option, to procure the purchase of that Note on the Optional Redemption Date (as defined below) at its principal amount together with (or, where purchased, together with an amount equal to) accrued interest to but excluding the Optional Redemption Date.

A "**Change of Control**" shall be deemed to have occurred at each time that any person or persons acting in concert come(s) to own or acquire(s) (i) more than 50 per cent. of the issued share capital of L'Air Liquide or (b) such number of the shares in the capital of L'Air Liquide carrying more than 50 per cent. of the voting rights.

"**Change of Control Period**" means:

(i) Pursuant to a Change of Control, the period commencing on the date of the public announcement of the result (*avis de résultat*) by the *Autorité des marchés financiers* (the "**AMF**") of the relevant Change of Control and ending on the date which is 90 calendar days (inclusive) after the date of the public announcement by the AMF of the relevant Change of Control, or

(ii) Pursuant to a Potential Change of Control, the period commencing 180 calendar days prior to the date of the public announcement of the result (*avis de résultat*) by the AMF of the relevant Change of Control and ending on the date of such announcement (inclusive).

"**Rating Agency**" means Standard & Poor's Rating Services or Moody's Investors Service or any other rating agency of equivalent international standing requested from time to time by the Issuer to grant a rating to the Notes and, in each case, their respective successors or affiliates.

A "**Rating Downgrade**" shall be deemed to have occurred in respect of a Change of Control or in respect of a Potential Change of Control if within the Change of Control Period:

(A) the credit rating previously assigned to the Notes by any Rating Agency is (x) withdrawn or (y) changed from an investment grade credit rating (BBB-, or its respective equivalents for the time being, or better) to a non-investment grade credit rating (BB+, or its respective equivalents for the time being, or worse) or (z) if the credit rating previously assigned to the Notes by any Rating Agency was below an investment grade credit rating (as described above), lowered by at least one full rating notch, or



(B) the Notes were not previously assigned with a credit rating by any Rating Agency and no Rating Agency assigns an investment grade credit rating to such Notes, unless L’Air Liquide has a credit rating from a Rating Agency, in which case paragraph (A) shall apply to the credit rating assigned to L’Air Liquide by any Rating Agency; and

provided that (i) a Rating Downgrade otherwise arising by virtue of a particular change in credit rating shall be deemed not to have occurred in respect of a particular Change of Control or Potential Change of Control, as the case may be, if the Rating Agency making the change in credit rating does not publicly announce or publicly confirm that the reduction was the result of the Change of Control or the Potential Change of Control, as the case may be, and (ii) any Rating Downgrade has to be confirmed in a letter, or other form of written communication, sent to the Issuer and publicly disclosed.

“**Potential Change of Control**” means any public announcement or statement by L’Air Liquide, any actual or potential bidder relating to any potential Change of Control of L’Air Liquide.

Promptly upon the Issuer becoming aware that a Put Event has occurred, the Issuer shall give notice (a “**Put Event Notice**”) to the Noteholders in accordance with Condition 15 specifying the nature of the Put Event and the circumstances giving rise to it and the procedure for exercising the Put Option.

To exercise the Put Option to require redemption or, as the case may be, purchase of a Note following a Put Event, the holder of that Note must transfer or cause to be transferred by its Account Holder its Notes to be so redeemed to the account of the Fiscal Agent in the Put Option Notice for the account of the Issuer within the period (the “**Put Period**”) of 45 calendar days after the Put Event Notice is given together with a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of any Paying Agent (as applicable) (a “**Put Option Notice**”) and in which the holder may specify a bank account to which payment is to be made.

The Issuer shall redeem or, at the option of the Issuer procure the purchase of, the Notes in respect of which the Put Option has been validly exercised as provided above, and subject to the transfer of such Notes to the account of the Fiscal Agent for the account of the Issuer as described above on the date which is the fifth Business Day following the end of the Put Period (the “**Optional Redemption Date**”). Payment in respect of any Note so transferred will be made in Euro to the holder to the specified Euro-denominated bank account in the Put Option Notice on the Optional Redemption Date via the relevant Account Holders.

(g) **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 7(h) or Condition 7(k) or upon it becoming due and payable as provided in Condition 10 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 7(h) or Condition 7(k) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Nominal Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Amortised Nominal Amount becomes due and payable were the Relevant Date. The calculation of the Amortised Nominal Amount in accordance with this sub-paragraph shall continue to be made (as well after as before judgement) 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 6(d).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown in the relevant Final Terms.

- (ii) *Other Notes:* The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 7(h) or Condition 7(k), or upon it becoming due and payable as provided in Condition 10 shall be the Final Redemption Amount.

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

- (i) If, by reason of any change in, or any change in the official application or interpretation of, French law, becoming effective after the Issue Date, the relevant Issuer or, as the case may be, the Guarantor (in respect of the Guarantee), 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 Condition 9 below, the relevant 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 calendar 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 relevant Issuer or the Guarantor, as the case may be, could make payment of principal and interest without withholding for such French taxes.
- (ii) If the relevant Issuer or, as the case may be, the Guarantor (in respect of the Guarantee), 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, the holders of the Coupons (the "**Couponholders**") of the full amounts then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 9 below, then the relevant Issuer, shall forthwith give notice of such fact to the Fiscal Agent and the relevant Issuer shall upon giving not less than seven calendar days' prior notice to the Noteholders in accordance with Condition 15, redeem all, but not some only, of the Notes then outstanding at their Early Redemption Amount (as described in Condition 7(g) above) together with any interest accrued to the date set for redemption on the latest practicable Interest Payment Date on which the relevant Issuer or the Guarantor, as the case may be, could make payment of the full amount then due and payable in respect of the Notes or, if applicable, Coupons, or, if that date is passed, as soon as practicable thereafter.

- (i) **Purchases:** The relevant 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. Unless the possibility of holding and reselling is expressly excluded, all Notes so purchased by the relevant 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.
- (j) **Cancellation:** All Notes purchased by or on behalf of the relevant Issuer for cancellation shall 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 or 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 relevant 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 reissued or resold and the obligations of the relevant Issuer and the Guarantor in respect of any such Notes shall be discharged.
- (k) **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 (i) for the relevant Issuer to perform or comply with one or more of its obligations under the Notes, [or (ii) for the Guarantor to perform or comply with one or more of its obligations under the Guarantee] the relevant Issuer [which in the case of (ii) above, shall be the issuer of the Notes guaranteed by the Guarantor] will, subject to having given not more than 45 nor less than 30 calendar 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.

## 8 Payments and Talons

- (a) **Dematerialised Notes:** Payments of principal and interest in respect of Dematerialised Notes shall be made (i) (in the case of Dematerialised Notes in bearer dematerialised form or administered registered dematerialised form) by transfer to the account denominated in the relevant currency of the relevant Euroclear France Account Holders for the benefit of the relevant Noteholder and (ii) (in the case of Dematerialised Notes in fully registered form), to an account denominated in the relevant currency with a Bank designated by the relevant Noteholder. All payments validly made to such Euroclear France Account Holders will constitute an effective discharge of the relevant 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 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 8(f)(v)) or Coupons (in the case of interest, save as specified in Condition 8(f)(v)), as the case may be:
  - (i) in the case of a currency other than RMB, 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; and
  - (ii) in the case of RMB, by transfer to a RMB account maintained by or on behalf of the Noteholder with a Bank.

“**Bank**” means a bank in the principal financial centre for such currency or, in the case of Renminbi in Hong Kong or in the relevant Business Centre (if any), and 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 US 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 relevant 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 relevant Issuer, any adverse tax consequence to the relevant Issuer or the Guarantor, if payment is being made under the Guarantee.
- (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 9. 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 under the Amended and Restated Agency Agreement and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents, the Redenomination Agent, the Registration Agent and the Consolidation Agent act solely as agents of each Issuer and the Calculation Agent(s) act(s) as independent experts(s) and, in each case such, do not assume any obligation or relationship of agency for any Noteholder or Couponholder. The Issuers reserve the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Redenomination Agent, the Registration Agent and the Consolidation Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents, provided that the Issuers 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 specified offices in at least one major European city, (v) such other agents as may be required by any other stock exchange on which the Notes may be listed and admitted to trading and (vi) a Paying Agent with a specified office in a European Union Member State other than Austria that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments or any other EU Directive implementing the conclusions of the ECOFIN Council Meeting of 26th-27th November 2000 on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such European Council Directive 2003/48/EC of 3 June 2003 and (vii) such other agents as may be required by the rules of any other stock exchange on which the Notes may be listed and admitted to trading.

In addition, the Issuers (or the Guarantor, if payment is being made under the Guarantee) shall forthwith appoint a Paying Agent in New York City in respect of any Materialised Bearer Notes denominated in US 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) Unless Materialised Bearer Notes provide that the relative Coupons are to become void upon the due date for redemption of those Notes, Materialised Bearer Notes should be surrendered for payment together with all unmaturing Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmaturing Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmaturing 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 11) provided that, if any Materialised Bearer Note should be issued with a maturity date and an Interest Rate or Rates such that, on the presentation for payment of any such Note without any unmaturing Coupons attached thereto or surrendered therewith, the amount required to be deducted in respect of such unmaturing Coupons would be greater than the relevant Redemption Amount otherwise due for payment, then, upon the due date for redemption of any such Note, such unmaturing Coupons (whether or not attached) shall become void (and no payment shall be made in respect thereof) as shall be required so that, upon application of the foregoing provisions in respect of such Coupons as have not so become void, the amount required by this paragraph to be deducted would not be greater than the relevant Redemption Amount otherwise due for payment. Where the application of the foregoing provisions requires some but not all of the unmaturing Coupons relating to a Materialised Bearer Note to become void and shall select for such purpose Coupons maturing on later dates in preference to Coupons maturing on earlier dates.
- (ii) If Materialised Bearer Notes so provide, upon the due date for redemption of any such Materialised Bearer Note, unmaturing Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Materialised Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Where any Materialised Bearer Note that provides that the relative unmaturing Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmaturing Coupons, and where any such Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer and the Guarantor, as the case may be, 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 11) provided that, in respect of Notes listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange, such exchange shall always take place at the specified office of the Fiscal Agent or of the Paying Agent, as a case may be.

- (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, (B) on which banks and foreign exchange markets are open for business in such jurisdictions as shall be specified as “Financial Centres” in the relevant Final Terms and (C) (i) in the case of a payment in a currency other than euro and RMB, 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 or (iii) in the case of a payment in RMB, on which banks and foreign exchange markets are open for business and settlement of RMB payments in Hong Kong or in the Relevant Business Centre (if any).
- (i) **Payment of US Dollar Equivalent:** Notwithstanding any other provision in these Conditions, if by reason of Inconvertibility, Non-Transferability or Illiquidity or if Renminbi is otherwise not available to the relevant Issuer or the Guarantor, as the case may be, as a result of circumstances beyond their control and such unavailability has been independently confirmed by a Renminbi Dealer, neither the relevant Issuer nor the Guarantor is able to satisfy payments of principal or interest (in whole or in part) in respect of RMB Notes, the relevant Issuer or the Guarantor, as the case may be, on giving not less than five nor more than 30 calendar days irrevocable notice to the Noteholders prior to the due date for payment, may settle any such payment (in whole or in part) in US Dollars on the due date at the US Dollar Equivalent of any such Renminbi denominated amount.

In such event, payments of the US Dollar Equivalent of the relevant principal or interest in respect of the RMB 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 10.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 8(i) by the RMB Rate Calculation Agent, will (in the absence of manifest error) be binding on the Issuers, the Agents and all Noteholders.

For the purposes of this Condition 8(i):

“**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 or the ROC or any other relevant jurisdiction of a Renminbi offshore market.

“**Illiquidity**” means that the general Renminbi exchange market in Hong Kong or the ROC or any other relevant jurisdiction of a Renminbi offshore market becomes illiquid, other than as a result of an event of Inconvertibility or Non-Transferability, as determined by the relevant Issuer or the Guarantor,

as the case may be, in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers, as a result of which event the relevant Issuer or the Guarantor, as the case may be, cannot, each having used its reasonable endeavours, obtain sufficient Renminbi in order to fully satisfy its obligation to pay interest or principal in respect of the RMB Notes or, as the case may be, the Guarantee.

“**Inconvertibility**” means the occurrence of any event that makes it impossible for the relevant Issuer or the Guarantor, as the case may be, to convert any amount due in respect of RMB Notes or the Guarantee, as the case may be, in the general Renminbi exchange market in Hong Kong or the ROC or any other relevant jurisdiction of a Renminbi offshore market, other than where such impossibility is due solely to the failure of the relevant Issuer or the Guarantor, as the case may be, 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 relevant Issuer or the Guarantor, as the case may be, 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 relevant Issuer or the Guarantor, as the case may be, to deliver Renminbi between accounts inside Hong Kong or the ROC or any other relevant jurisdiction of a Renminbi offshore market or from an account inside Hong Kong or the ROC or any other relevant jurisdiction of a Renminbi offshore market to an account outside Hong Kong or the ROC or any other relevant jurisdiction of a Renminbi offshore market, other than where such impossibility is due solely to the failure of the relevant Issuer or the Guarantor, as the case may be, 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 relevant Issuer or the Guarantor, as the case may be, due to an event beyond its control, to comply with such law, rule or regulation).

“**Renminbi Dealer**” means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in Hong Kong or the ROC or any other relevant jurisdiction of a Renminbi offshore market reasonably selected by the relevant Issuer or the Guarantor, as the case may be.

“**RMB Rate Calculation Agent**” means the agent appointed from time to time by the relevant 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 or the ROC or any other relevant jurisdiction of a Renminbi offshore market 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 or the ROC or any other relevant jurisdiction of a Renminbi offshore market for settlement on the relevant due date for payment, as determined by the RMB Rate Calculation Agent at the Relevant Time as specified in the relevant Final Terms 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 neither rate is available, the RMB Rate Calculation Agent will determine the RMB Spot Rate at the Relevant Time as specified in the relevant Final Terms on the RMB Rate Calculation Date as the most recently available CNY/US 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.

“**ROC**” means the Island of Taiwan and other areas under the effective control of the Republic of China.

“**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.

## 9 Taxation

- (a) **Withholding tax:** All payments of principal, interest and other revenues by or on behalf of the Issuers 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 [or payments under the Guarantee] be subject to deduction or withholding in respect of any taxes or duties whatsoever, the relevant Issuer will [or, as the case may be, the Guarantor in the case of payments under the Guarantee], 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 the Republic of 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.

As used in these Conditions, “**Relevant Date**” in respect of any Note, 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 7 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 6 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.



## 10 Events of Default

The Representative (as defined under Condition 12(b)), upon request of any Noteholder, may, upon written notice to the relevant Issuer and the Fiscal Agent given before all defaults shall have been cured, cause the principal amount of all the Notes held by such Noteholder to become due and payable, together with accrued interest thereon, as of the date on which such notice for payment is received by the Fiscal Agent:

- (i) if the relevant Issuer defaults in any payment when due of principal or interest on any Note [or the Guarantor defaults in any payment when due under the Guarantee] (including the payment of any additional amounts pursuant to the provisions set forth under “Taxation” above) if such default shall not have been cured within 15 days; or
- (ii) if there is a default by the relevant Issuer [or the Guarantor] in the due performance of any other provision of the Notes [or the Guarantee, as the case may be,] and such default shall not have been cured within 30 days after receipt by the Fiscal Agent of written notice of default given by the Representative upon request of the Noteholder; or
- (iii) if any other present or future indebtedness of the relevant Issuer or the Guarantor for or in respect of monies borrowed in excess of Euro 100,000,000 (or its equivalent in any other currency), whether individually or collectively, becomes due and payable prior to its stated maturity as a result of a default thereunder, or any such indebtedness shall not be paid when due and payable or, as the case may be, within any originally applicable grace period thereof or any guarantee or indemnity in excess of such aforesaid amount given by the relevant Issuer or the Guarantor for, or in respect of, any such indebtedness of others shall not be honoured when due and called upon, or, as the case may be, within 15 days of any originally applicable grace period; or
- (iv) if L’Air Liquide or Air Liquide Finance makes any proposal for a general moratorium in relation to its debt or a judgement is issued for the judicial liquidation (*liquidation judiciaire*) or for a judicial transfer of the whole of the business (*cession totale de l’entreprise*) of L’Air Liquide or, to the extent permitted by applicable law, if L’Air Liquide or Air Liquide Finance is subject to any other insolvency or bankruptcy proceedings or if L’Air Liquide or Air Liquide Finance makes any conveyance, assignment or other arrangement for the benefit of its creditors or enters into a composition (*accord amiable*) with its creditors or if L’Air Liquide is wound up or dissolved; or
- (v) the Guarantee is not (or is claimed by the Guarantor not to be) in full force and effect.

## 11 Prescription

Claims against the relevant 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 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

## 12 Representation of Noteholders

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**”).

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 of Notes that are not being issued outside of France within the meaning of Article L.228-90 of the French *Code de Commerce*, be grouped automatically for the defence of their common interests

in a Masse and the provisions of the French *Code de Commerce* relating to the masse shall apply subject to the below provisions of this Condition 12 (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 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 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, dissolution, retirement or revocation of appointment of the Representative, such Representative will be replaced by another Representative. In the event of the death, dissolution, 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 second business day in Paris preceding the date set for the meeting of the relevant General Meeting

The place where 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 of Notes issued outside France within the meaning of Article L.228-90 of the French *Code de Commerce*, be grouped automatically for the defence of their common interests in a Masse which will be subject to 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 of the Noteholders.

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. However, the following persons may not be chosen as Representatives:

- the relevant 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 spouses; or
- companies guaranteeing all or part of the obligations of the relevant Issuer, their respective managers (*gérants*), general managers (*directeurs généraux*), members of their Board of Directors (*Conseil d’administration*), their statutory auditors, or employees as well as their ascendants, descendants and spouses; or

- companies holding 10 per cent. or more of the share capital of the relevant Issuer or companies having 10 per cent. or more of their share capital held by the relevant 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 its alternate will be set out in the relevant Final Terms. The Representative appointed in respect of the first Tranche of any Series of Notes will be the Representative of the single Masse of all Tranches in such Series.

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

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

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

- (iii) **Powers of the 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 interfere 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 relevant 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 relevant 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, time, place and agenda of any General Meeting will be published as provided under Condition 15 not less than 15 calendar days prior to the date of such General Meeting.

Each Noteholder has the right to participate in a General Meeting in person, by proxy, correspondence, or, if the *statuts* of the relevant Issuer so specify<sup>1</sup>, videoconference or any other means of telecommunications 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.

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<sup>1</sup> At the date of this Debt Issuance Programme Prospectus, the *statuts* of the Issuers do not contemplate the right for a Noteholder to participate in a General Meeting by videoconference or any other means of telecommunication allowing the identification of the participating Noteholders.

- (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, it being specified, however, that the General Meeting may not increase the liabilities (charges) to Noteholders, nor establish any unequal treatment between the Noteholders, nor to decide to convert Notes into shares.

General Meetings may deliberate validly on first convocation only if Noteholders present or represented hold at least one fifth 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 holder of a Note to participate in a General Meeting must be evidenced by entries in the books of the relevant Account Holder of the name of such holder of a Note on the second business day in Paris preceding the date set for 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 relevant Issuer, at the specified offices of any of the Paying Agents during normal business hours and at any other place specified in the notice of the General Meeting.
- (vii) **Expenses:** The relevant Issuer will pay all expenses relating to the operation of the Masse, including expenses relating to the calling and holding of General Meetings and, more generally, all administrative expenses resolved upon by the General Meeting, it being expressly stipulated that no expenses may be imputed against interest payable under the Notes.

- (c) **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 12, the term “**outstanding**” shall not include those Notes subscribed or purchased by the relevant Issuer pursuant to Article L.213-1 A of the Code that are held by it and not cancelled.

### 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 stock exchange regulations, at the specified office of the Fiscal Agent or such other Paying Agent as may from

time to time be designated by the relevant 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 relevant Issuer in respect of such Definitive Materialised Bearer Notes, Coupons or further Coupons) and otherwise as the relevant 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 relevant Issuer may, without the consent of the Noteholders or Couponholders create and issue further Notes to be assimilated (*assimilées*) with the Notes provided such Notes and the further Notes carry rights identical in all respects (or in all respects save for the principal amount thereof and the first payment of interest specified in the relevant Final Terms) and that the terms of such Notes provide for such assimilation and references in these Conditions to “Notes” shall be construed accordingly.
- (b) **Consolidation:** The relevant Issuer, with the prior approval of the Consolidation Agent, may from time to time on any Interest Payment Date occurring on or after the Redenomination Date on giving not less than 30 calendar 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 listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so permit, on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) or, (b) at the option of the relevant Issuer, in a leading daily newspaper with 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 stock exchange including any Regulated Market and the rules of such stock exchange(s) so require, in a leading daily newspaper with general circulation in the city/ies where the stock exchange(s) on which such Notes are listed and admitted to trading is located, which in the case of the Luxembourg Stock Exchange is expected to be the *Luxemburger Wort*.
- (b) Notices to the holders of Materialised Bearer Notes and Dematerialised Notes in bearer form (*au porteur*) shall be valid if published (i) so long as such Notes are listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so permit, on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)), or (ii) at the option of the relevant Issuer, if published in a daily leading newspaper with 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 stock exchange, in a leading daily newspaper with general circulation in the city/ies where the stock exchange(s) on which

such Notes are listed and admitted to trading is located, which, in the case of the Luxembourg Stock Exchange, is expected to be the *Luxemburger Wort*.

- (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. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Materialised Bearer Notes in accordance with this Condition.
- (d) Notices required to be given to the holders of Dematerialised Notes (whether in registered or in bearer form) pursuant to these Conditions may be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream, Luxembourg and any other clearing system through which the Notes are for the time being cleared in substitution for the mailing and publication of a notice required by Conditions 15(a) and (b) above; except that (i) (a) so long as such Notes are listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so permit, notices shall also be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)), or (b) so long as the Notes are listed and admitted to trading on any Regulated Market(s) and the rules of such Regulated Market(s) so require, notices shall be published in a leading daily newspaper of general circulation in the city/ies where the stock exchange(s) on which such Notes are listed and admitted to trading is located, which, in the case of the Luxembourg Stock Exchange, is expected to be the *Luxemburger Wort*, and (ii) notices relating to the convocation and decision(s) of the General Meetings pursuant to Condition 12 shall also be published (a) so long as such Notes are listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so permit, on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)), or (b) in a leading daily 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 all non-contractual obligations arising out of or in connection with them, and the Guarantee are governed by, and shall be construed in accordance with, French law.
- (b) **Jurisdiction:** Any claim against the relevant Issuer in connection with any Notes, Coupons or Talons or the Guarantee may be brought before any competent court located in Paris.

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

### **Temporary Global Certificate**

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

The Common Depository may also (if indicated in the relevant Final Terms) credit with a nominal amount of Notes the accounts of subscribers with 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 clearing system other than Euroclear or Clearstream, Luxembourg may similarly be credited to the accounts of subscribers with Euroclear or Clearstream, Luxembourg.

### **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 Definitive Materialised Bearer Notes; and
- (ii) otherwise, in whole but not in part, for Definitive Materialised Bearer Notes upon certification in the form set out in the Amended and Restated Agency Agreement as to non-US beneficial ownership.

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

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

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

In this Debt Issuance Programme 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 stock exchange requirements in, or substantially in, the form set out in Schedule 2 Part A to the Amended and Restated Agency Agreement.

### **Exchange Date**

“Exchange Date” means, in relation to a Temporary Global Certificate, the day next succeeding the day that is 40 calendar days after its issue date, provided that, in the event any further Materialised Notes are issued prior to such day pursuant to Condition 14, the Exchange Date for such Temporary Global Certificate shall be

postponed to the day falling after the expiry of 40 calendar days after the issue of such further Materialised Notes.



## **USE OF PROCEEDS**

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

## DESCRIPTION OF L'AIR LIQUIDE

### Introduction

*L'Air Liquide - société anonyme pour l'Etude et l'Exploitation des Procédés Georges Claude* (“**L'Air Liquide**”) is a French *société anonyme* registered with the *Registre du commerce et des sociétés* of Paris under number 552 096 281. Its registered office is at 75, quai d'Orsay, 75007 Paris, France and its phone number is + 33 1 40 62 55 55.

L'Air Liquide was incorporated in France on 27 November 1902 under the laws of France, and has a term expiring on 18 February 2028. It is governed by Articles L.210-1 and following of the French *Code de commerce*.

Legal Name : L'Air Liquide - société anonyme pour l'Etude et l'Exploitation des Procédés Georges Claude.

Commercial Name : L'Air Liquide société anonyme.

L'Air Liquide is the parent company of the Air Liquide Group. Its position within the Air Liquide Group is described on pages 268 to 270 of the 2015 Reference Document.

L'Air Liquide is listed on the Paris Euronext stock exchange (compartment A) and is a member of the CAC 40 and Dow Jones Euro Stoxx 50 indexes.

### Shareholders

L'Air Liquide has been listed on the Paris Euronext stock exchange since 1913. L'Air Liquide's share ownership is evenly balanced between individual shareholders and French and non-French institutional investors. As of 31 December 2015, approximately 400,000 individual investors hold approximately 36% of the capital. French and non-French institutional investors represent approximately 18% and 46% of the capital respectively, the remaining (less than 1%) is treasury shares.

At the end of 2015, the share of capital held by employees and former employees of the Air Liquide Group is estimated at 2.3%, of which 1.5% (in the meaning of article L.225-102 of the French *Code of Commerce*) corresponds to shares subscribed by employees during employee reserved capital increase operations or held through mutual funds.

### Share Capital

At the date of this Debt Issuance Programme Prospectus, the share capital of L'Air Liquide is fully paid-up.

As of 31 December 2015, the authorized capital was 1,892,896,506 euros, divided into 344,163,001 ordinary shares with a par value of 5.50 euros, all of the same class. As of 10 May 2016, the authorized capital was 1,898,719,603 euros, divided into 345,221,746 ordinary shares with a par value of 5.50 euros, all of the same class.

### Corporate Purpose

L'Air Liquide's corporate purpose comprises:

1°/ The study, exploitation, sale of the patents or inventions of Messrs. Georges & Eugène Claude, pertaining to the liquefaction of gases, the industrial production of refrigeration, liquid air and oxygen, and the applications or utilizations thereof;

2°/ The industrial production of refrigeration, of liquid air, the applications or uses thereof, the production and liquefaction of gases, and in particular oxygen, nitrogen, helium and hydrogen, the applications and uses thereof in all forms, pure, in blends and combinations, without any distinction as to state or origin, in all

domains of the applications of their physical, thermodynamic, chemical, thermochemical and biological applications, and in particular in the domains of propulsion, the sea, health, agri-business and pollution;

3°/ The purchase, manufacturing, sale, use of all products pertaining directly or indirectly to the foregoing corporate purpose, as well as all sub-products resulting from their manufacturing or their use, of all machines or devices used for the utilization or application thereof and, more specifically, the purchase, manufacturing, sale, use of all products, metals or alloys, derived or resulting from a use of oxygen, nitrogen and hydrogen pure, blended or combined, in particular of all oxygenated or nitrogenous products;

4°/ The study, acquisition, direct or indirect exploitation or sale of all patents, inventions or methods pertaining to the same corporate purposes;

5°/ The direct exploitation or the exploitation by creating of companies, of everything which is connected, directly or indirectly, with the company's purpose or is apt to contribute to the development of its industry;

6°/ The supply of all services, or the supply of all products apt to develop its clientele in the domain of industry or health.

L'Air Liquide may request or acquire all franchises, make all constructions, acquire or take out on a rental basis all quarries, mines and all real property, and take over all operations connected with its corporate purpose, sell these franchises, assert them, merge or create partnerships with other companies by acquiring shares or company rights, through advances or in any appropriate manner.

It may undertake these operations either alone or jointly; lastly, and more generally, it may carry out all industrial, commercial, real, personal and financial operations pertaining directly or indirectly to the corporate purposes specified above.

A description of L'Air Liquide's objects and purposes can be found in Article 2 of the articles of association of L'Air Liquide.

### **Financial Statements**

L'Air Liquide publishes consolidated and non-consolidated annual financial statements, which are audited by its statutory auditors.

L'Air Liquide also publishes consolidated semi-annual financial statements in respect of which L'Air Liquide's statutory auditors carry out a limited review.

The joint statutory auditors of L'Air Liquide are Ernst & Young et Autres and PricewaterhouseCoopers Audit ("PwC").

PwC was appointed as statutory auditor of L'Air Liquide pursuant to the approval of the shareholders' meeting held on 12 May 2016 for six years ending at the time of the shareholder's meeting approving L'Air Liquide's financial statements for the year ended 31 December 2021, to replace Mazars whose term ended following the shareholders' meeting approving L'Air Liquide's financial statements for the year ended 31 December 2015.

### **No conflicts of interest**

There are no potential conflicts of interests between any duties to L'Air Liquide of the members of the administrative and management bodies of L'Air Liquide and their private interests and/or other duties.

## **RECENT DEVELOPMENTS OF L’AIR LIQUIDE SINCE 1 JANUARY 2016**

### **Shareholders’ Meeting of 12 May 2016**

The shareholders’ meeting held on 12 May 2016 duly approved all ordinary and extraordinary resolutions submitted to its decision.

- On 12 May 2016, Air Liquide published the following press release : “Combined Shareholders’ Meeting of May 12, 2016. Commenting on the 2015 fiscal year and the Group’s growth outlook, Benoît Potier, Chairman and CEO, stated: “In 2015, the Group’s performance was strong. Air Liquide, which delivered growth above that of its market, continued to improve its competitiveness, as attested to by the increase in operating margin and net profit. The Group also pursued its investments in growing markets and initiatives in the area of innovation. Moreover, the acquisition of Airgas, which was announced in November 2015 and which might be completed soon, will be a major step in the development and transformation of the Group, ideally positioning it to capture future growth. Thanks to solid fundamentals, committed and passionate teams, the trust of our customers, and the loyalty of our shareholders, we are confident in the Group’s ability to create value over the long term for all its stakeholders.” The Combined Shareholders’ Meeting of Air Liquide, chaired by Benoît Potier, the Company’s Chairman and Chief Executive Officer, in the presence of the members of the Board of Directors, was attended by 3,928 people, on Thursday, May 12, at the Palais des Congrès in Paris. The shareholders, who represented 46.8% of the voting rights, i.e. 126,052 shareholders in attendance or represented, approved all of the resolutions that were submitted. The proposed dividend, with an ex-date of May 23, 2016 and a payment date of May 25, 2016, was approved: it has been set at 2.60€ per share, which represents a payout ratio of 52.4% in 2015. The Shareholders approved the reappointment of Ms. Karen Katen and of Mr. Pierre Dufour and appointed Mr. Brian Gilvary to the Board, each for a term of four years. A British national who holds a PhD in mathematics, Mr. Brian Gilvary has been the CFO of BP since 2012. The Board of Directors is now composed of 12 members, including 5 women and 6 members who are not French. 9 of the 11 members elected by the Shareholders are independent. The current composition of the Board offers a complementary mix of experience, nationalities and cultures, and reflects the diversity policy conducted by the Group. The Shareholders reappointed the firm Ernst & Young & autres to serve for a six-year term as the incumbent independent auditors of the company, as well as Pricewaterhouse Coopers Audit. In addition, the Shareholders expressed a favorable opinion on the remuneration of the company’s executive officers for the 2015 fiscal year in connection with two specific resolutions (“Say on Pay”).

### **Business of L’Air Liquide - Recent Developments since 1 January 2016**

#### ***Europe***

- On 28 January 2016, Air Liquide published the following press release: “Air Liquide awarded two contracts in the satellite propulsion market. Air Liquide has signed two multi-year contracts recently, a total worth of €20 million, for the supply of high purity xenon in the all-electric propulsion satellite market: one with Airbus Defence and Space, the world leader in high power electric satellites and one with Thales Alenia Space, leader in High Throughput Satellites. The worldwide demand for telecom satellites is driven by replacement of old satellites and business growth from new services. Xenon is a very scarce gas on Earth. Air Liquide, world leader for xenon, uses its proprietary technologies to extract xenon from air and relies on diversified sourcing capabilities to ensure a sustainable supply. Advanced analytical equipment is used to produce customer-specific xenon, from standard to ultra-high purity, for

the industrial, medical, electronics and space sectors. Its density, potential for ionization and inertness make this noble gas extremely valuable for different applications, such as the electric propulsion of satellites. High purity xenon is used as propellant for the satellite's orbit raising and station-keeping. Satellite propulsion recently entered a new era with the development of all-electric engines, a breakthrough technology that has revolutionized the satellite industry. These engines use energy produced by the satellite's solar panels to eject a gas (usually xenon), which then generates the thrust. All-electric engines increase the satellite's load capacity by 50%, greatly reducing launching costs. In the coming years, at least one-third of the market is expected to switch to this technology. Guy Salzgeber, Senior Vice-President, Europe Industries and member of the Air Liquide group's Executive Committee, commented: "We are proud to have been chosen by Airbus Defence and Space and by Thales Alenia Space as their technological partner for the supply of high purity xenon. Through these contracts, we are happy to contribute to the European leadership in satellite construction by bringing our expertise in the management of sourcing and in the supply chain of noble gases which it requires."

- On 9 February 2016, Air Liquide published the following press release: "France: Air Liquide's plant of the future project is certified "technological showcase" by the Industry of the Future Alliance. A first in the industrial gases sector, the project led by Air Liquide's Large Industries activities in France was certified "technological showcase" by the Industry of the Future Alliance (*Alliance Industrie du Futur*), an association gathering Industry and Digital Technology professional organizations in order to secure, in particular, the French "Industry of the Future" plan deployment. Named Connect, the project in which Air Liquide will invest €20 million by 2017, is in line with the Group's digital transformation and relies on the introduction of new technologies in the teams' daily work. With Connect, Air Liquide is creating in France a remote operations and optimization center that is unique in the industrial gases industry, one that will be able to control and optimize the production, energy efficiency and reliability of the Large Industries sites, or carry out predictive maintenance actions. Around 20 sites in France, that produce and supply by pipeline industrial customers with oxygen, nitrogen, argon and hydrogen throughout the country, will be connected to this national control center located in the Greater Lyon area. Thanks to big data analysis, the production flows of each site could be adapted in real time to the needs of each customer. Expected to start operations in 2017, the center will control production and energy consumption while the on-site teams will focus on the safety and availability of the equipment. Air Liquide's plant of the future project notably aims to introduce the latest digital technologies (3D scanning, augmented reality, touch tablets, video tutorials, etc.) into the on-site teams' daily work. Around ten new technologies are currently being tested or deployed at the production sites, to optimize maintenance operations or encourage networking, for example. Connect is part of an open innovation approach involving the local economy, the French ecosystem for technology start-ups and the on-site production teams. It brings together over 100 local businesses, including more than 10 French start-ups. The project, which is intentionally collaborative, gathers teams from each Large Industries site in France and the other Group entities including in particular the i-Lab, Air Liquide's innovation lab. This collaborative approach helps develop new skills for production and maintenance teams, which will be completed by the training programs included in the project. Guy Salzgeber, Senior Vice-President, Europe Industries and member of the Air Liquide group's Executive Committee, commented: "We are proud to be certified among the first technological showcases by the Industry of the Future Alliance. With Connect, Air Liquide is taking a major step forward in its digital transformation by beginning a large-scale roll-out of the plant of the future, throughout the whole country. After Cryocap™ 1, this is another world first for the Group, rolled-out in France, and a technological showcase for the Large Industries business. As an integral part of the project and key to its success, the open innovation process enables us to identify new usages and efficiency levers unexplored until then."

- On 9 February 2016, Air Liquide published the following press release: “Air Liquide announces the acquisition of a service leader specialized in temperature-controlled logistics for the pharmaceutical industry. CRYO International, an Air Liquide group subsidiary specializing in temperature-controlled (maintained at constant temperature (positive or negative) using cold sources such as CARBOGLACE™ or liquid nitrogen) logistics solutions, has just acquired PDP Couriers, a major player in the customized transport of high value-added products for the pharmaceutical and biotechnology industries. Based in the UK, PDP Couriers has over 120 employees at 14 locations worldwide. The company generated revenues of approximately €21 million in 2015. PDP Couriers has grown significantly in Eastern Europe, Latin America and Asia over the past few years. Safety, punctuality and reliability are key in the transport sector for temperature-sensitive samples and products in the pharmaceutical industry, particularly in the clinical research area. PDP Couriers is one of the specialists in this sector with an international presence. This acquisition is a new phase in the strategy initiated in the past few years by CRYO International, whose goal is to be able to offer its customers innovative and customized temperature-controlled logistics solutions anywhere in the world. Guy Salzgeber, Senior Vice-President, Europe Industries, and a member of the Air Liquide group’s Executive Committee, commented: “Cryo International illustrates the Group’s intention to seize growth opportunities in adjacent markets. The acquisition of PDP Couriers is very much in line with this approach. We are delighted to welcome these new employees to Air Liquide.” Cédric Picaud, Chief Executive Officer of CRYO International, added: “With this acquisition we are combining our know-how in CARBOGLACE™ and temperature-controlled solutions with a premium logistics service. This expansion in our activities supports the geographical growth of our customers and their need for services with increased added value.””
- On 17 March 2016, Air Liquide published the following permanent information release: “Air Liquide announces an increase in share capital reserved for eligible employees of Group companies that have adhered to the France Share Purchase Plan (FSPP) or the International Group Share Purchase Plan (IGSSP), as well as to early retirees and retirees who have retained their assets in the FSPP. This transaction, which falls within the scope of the policy aimed at developing employee share ownership within the Group, will cover more than seventy countries, on condition that the required authorisations are obtained in some of these countries. Air Liquide wishes in this way to strengthen the existing link with its employees, involve them even more closely and over the long-term in the Group’s development and have them share in its results. The subscription price for the shares has been set at €77.18, corresponding to the average of the opening trading prices for the Air Liquide share on Euronext Paris over the twenty trading days prior to 16 March 2016, the date of the decision by the Chairman and Chief Executive Officer adopting the definitive dates of the subscription period and the subscription price, reduced by a discount of 20% and rounded up to the immediately higher euro cent. This price will not apply in respect of the transaction to be implemented in the United States where a price has been set, in light of the local regulations applicable. The transaction will concern a maximum of 1,000,000 shares with a par value of €5.50 each, representing a maximum nominal amount of €5.5 million. The subscription period will run from March 21, 2016 until midnight (Paris, France time) on 31 March 2016. The new shares will be immediately identical to the existing shares and benefit from the same rights. In particular, they will grant entitlement to any dividend distribution of which payment is decided after their creation. Admission of these shares for trading on the Euronext Paris market, on the same quotation line as the existing shares (ISIN code: FR0000120073), will be requested as soon as possible after completion of the increase in capital. The new shares will be registered in a direct registered share account and held for 5 years, except in the event of early release as provided for by the regulations application in France and in participating countries.”

- On 18 April 2016, Air Liquide published the following press release: “Air Liquide accelerates its development in biogas purification. Air Liquide announces the commissioning of 12 biogas purification units in the last 12 months in Europe. With these new units, Air Liquide triples its biogas purification capacity on the European continent. Overall, Air Liquide has designed and deployed worldwide 50 biogas purification units in order to transform biogas into biomethane and inject it into the natural gas networks. The 12 new biogas purification units commissioned by Air Liquide are located in France, in the United Kingdom, in Hungary and in Denmark. Five of these units, representing a total investment of 12 million euros, are operated by Air Liquide. They generate long-term contracts for the production of biomethane for Europe’s natural gas grids, which supply notably the transportation fleets that run on bio-NGV (Natural Gas for Vehicles). World leader in the supply of biogas purification technologies with an installed capacity of 160 000 m<sup>3</sup>/h, Air Liquide has developed technologies and expertise that span the entire biomethane value chain: purification of biogas into biomethane, injection into the natural gas network, liquefaction, distribution for clean transportation fleets. The purification and biogas valorization is a very promising example of a circular economy, which helps reduce greenhouse gas emissions and which could contribute to solutions for the zero emission transportation of tomorrow. François Darchis, Senior-Vice President, member of the Air Liquide group’s Executive Committee supervising Innovation, commented: “These new biomethane production contracts illustrate the ability of Air Liquide to leverage its technologies to incubate new businesses. By positioning on the entire chain from biogas purification to distribution with bio-NGV stations, Air Liquide is contributing to meeting energy and environmental challenges.” Biogas is produced during the treatment of waste (coming from farming, household waste and industrial activities). Biogas purification technology is based on the use of patented polymer membranes manufactured by Air Liquide. This powerful system separates the components of biogas, and generates a biomethane that can be injected into the natural gas network. Used as fuel in vehicles, bio natural gas or biomethane is also called bio-NGV (Natural Gas for Vehicles). Bio-NGV, like hydrogen, is a clean transportation solution. This fuel, of non-fossil origin, is part of a circular economy (from the conversion of waste to the mobility of the vehicle). Using biogas in a reformer will also enable the production of carbon-free hydrogen, in line with the Group’s Blue Hydrogen commitment for 2020. In 2014, Air Liquide acquired FordonsGas, Sweden’s leading distributor of bio-NGV, which operates nearly 50 stations in Sweden. These bio-NGV stations enable taxis, corporate fleets, buses and passenger cars to procure environmentally friendly fuel that is nearly 70% produced from renewable energies.”

## *Asia*

- On 22 January 2016, Air Liquide published the following press release: “China: Air Liquide signs a new long-term contract with Xinneng Energy. Air Liquide recently signed a new long-term contract with Xinneng Energy Company, a subsidiary of ENN Ecological Holdings Company (ENN). Under the terms of the new agreement, Air Liquide will invest more than 60 million euros in an ASU (Air Separation Unit), with a total capacity of 2,700 tonnes of oxygen per day. Expected to start operations in the second quarter of 2018, the new ASU will supply industrial gases including oxygen and nitrogen to ENN Ecological Holdings Company. The gases will be used in the customer’s Light Hydrocarbon Project, which produces 200,000 tonnes per year of light hydrocarbon, a chemical product widely used in the energy industry. The ASU, located in ENN’s industrial park in Dalateqi of Ordos City, Inner Mongolia, will be built by Air Liquide’s Engineering and Construction teams using state-of-the-art technologies to offer energy efficiency as well as optimal reliability and safety, and will be owned and operated by Air Liquide. Zhao Yifeng, CEO of ENN Ecological Holdings Company, commented: “By combining our own innovative technologies with the leading technologies and international expertise from Air Liquide, we ensure the improved energy efficiency of the project. With this project as a start, we look forward to

enhancing the cooperation with Air Liquide in the near future.” François Venet, Vice-President, Asia Pacific and a member of Air Liquide group’s Executive Committee, commented: “We are honored to be a partner for this significant project. By leveraging our existing resources, as well as our experience in Inner Mongolia and Western China, we will support the flawless development and operation of this project.” Air Liquide China operates nearly 90 plants and employs about 4,500 employees with a strong presence in the key coastal industrial areas, and is expanding into the center, south and west. Its main business activities include industrial and medical gas operations, as well as Engineering & Construction (designing, manufacturing and installing air separation units/hydrogen facilities). The Large Industries business line of Air Liquide offers gas and energy solutions that improve process efficiency and help achieve greater respect for the environment, mainly in the refining and natural gas, chemicals, metals and energy markets. In 2014, revenues were €4,980 million. The Engineering and Construction activity (Global E&C Solutions) builds the Group’s production units – mainly air separation units (ASUs) and hydrogen production units – and provides plants for third-party customers.”

- On 25 February 2016, Air Liquide published the following press release: “Air Liquide strengthens its innovation capabilities in China. Air Liquide has inaugurated its new Shanghai Research & Technology Center (SRTC) just after celebrating the 20-year anniversary of its Engineering & Construction facilities in Hangzhou, a city of Zhejiang province in Eastern China, illustrating the long-term commitment of the Group in China. On February 25, 2016, Air Liquide inaugurated its new Shanghai Research and Technology Center (SRTC), located in the Shanghai Xinzhuang Industrial Park, in the city’s Minhang District. This new center will ultimately host 250 employees, including researchers, experts in customer applications and business development teams. It will become a major center for the Group’s innovation in the Asia-Pacific region. The SRTC will help Chinese customers and consumers benefit from Air Liquide’s innovative solutions and global innovation network to tackle environmental and societal challenges. The center will address issues such as energy transition, CO2 emissions reduction, waste water treatment, urban air quality, food safety, and healthcare. Covering 12,000 square meters of laboratories, offices, showroom and pilot demonstration platforms, the center represents an investment of €25 million, announced in 2014. The building is designed in compliance with LEED certification (Leadership in Energy and Environment Design), a global standard in sustainable building that factors in efficient water management, good use of energy, and the reduction of emissions. The inauguration follows the celebration of the 20-year anniversary of Air Liquide Engineering & Construction in Hangzhou. Key player providing innovative solutions related to industrial gases, the Engineering & Construction site in Hangzhou is specialized in designing, manufacturing and constructing leading-edge air separation units, syngas purification units and other industrial gas plants, operated in China and abroad. Founded in 1995, the site has grown to be a major manufacturing and engineering center of the Group with nearly 700 employees. François Darchis, Senior Vice-President, member of the Air Liquide group’s Executive Committee, supervising Innovation, commented: “We are extremely pleased to simultaneously celebrate these two events in Shanghai and in Hangzhou, illustrating commitment to grow in China over the long term. This has been made possible with the help of the local authorities, partnerships with our customers, and connections with academia and more generally, with the innovation ecosystems.” Air Liquide China operates nearly 90 plants and employs about 4,500 employees with a strong presence in the key coastal industrial areas, and is expanding into the center, south and west. Its main business activities include industrial and medical gas operations, as well as Engineering & Construction (designing, manufacturing and installing air separation units/hydrogen facilities). The Engineering & Construction activity of the Air Liquide group (Air Liquide Global E&C Solutions) builds the Group’s production units (mainly Air Separation Units and hydrogen production units) and also supplies external customers with its portfolio of cryogenics solutions and Lurgi technologies. Its industrial gas, energy conversion and gas purification solutions



enable customers to optimize the use of natural resources. Air Liquide Global E&C Solutions covers the entire project life-cycle: licensing & engineering services / proprietary equipment, high-end engineering & design capabilities, as well as project management & execution services. Its exclusive and innovative technologies are making a contribution to the energy sector. Innovation, one of the pillars of the Group's strategy: 6,200 employees contribute to innovation around the world, mostly in three entities: Research & Development, Global Markets & Technologies, and Engineering & Construction. They explore new territories, business models, technologies and services, and they support innovation from idea to market maturity. Air Liquide has over 1,000 researchers of 35 nationalities. R&D teams are based in 9 locations in Europe, Asia, and the United States, connected to world-class innovation ecosystems.”

- On 12 April 2016, Air Liquide published the following press release: “Air Liquide strengthens its partnership with MPCC in China. Air Liquide signed a new long-term contract with Maoming Petrochemical Co. (MPCC), a subsidiary of China Petroleum & Chemical Corp. (Sinopec Corp.), one of the largest integrated energy and chemical companies in China. Under the terms of the new agreement, Air Liquide will invest around 40 million euros in a new state-of-the-art ASU (Air Separation Unit), with a total capacity of 850 tonnes of oxygen per day. Expected to start operations in the second quarter of 2017, the new ASU will supply industrial gases including oxygen and nitrogen to the customer’s new ethylene oxide plant as well as to its existing one. The ASU, located in Maoming City of Guangdong Province, will be designed and supplied by Air Liquide’s Engineering and Construction teams using leading technologies to offer energy efficiency as well as optimal reliability and safety. The ASU will be owned and operated by ALMPCC, the joint venture of Air Liquide China and MPCC established in June 2012. François Venet, Vice-President, Asia Pacific and a member of Air Liquide group’s Executive Committee commented: “Air Liquide has developed a strong business relationship with MPCC since 2012. Their decision to outsource to Air Liquide their industrial gases need on this new project demonstrates MPCC’s confidence in our capability to provide innovative solutions and deliver safe operations, which further strengthens our strategic partnership. This new agreement also illustrates our wish to develop our activities in China over the long term.” Lu Weiqun, Deputy General Manager of MPCC and Vice Chairman of ALMPCC Board, added: “It’s our pleasure to join hands with Air Liquide again. By combining their advanced technology and management expertise with MPCC’s experience in the local market, ALMPCC has seen great successes in recent years. Through the new project, we expect ALMPCC to contribute more to the development of MPCC as well as to that of the local economy.” Air Liquide China operates nearly 90 plants and employs about 4,500 employees with a strong presence in the key coastal industrial areas, and is expanding into the center, south and west. Its main business activities include industrial and medical gas operations, as well as Engineering & Construction (designing, manufacturing and installing air separation units/hydrogen facilities). The Large Industries business line of Air Liquide offers gas and energy solutions that improve process efficiency and help achieve greater respect for the environment, mainly in the refining and natural gas, chemicals, metals and energy markets. In 2015, revenues were € 5,201 million. The Engineering and Construction activity (Global E&C Solutions) builds the Group’s production units – mainly air separation units (ASUs) and hydrogen production units – and provides plants for third-party customers.”

### *America*

- On 5 January 2016, Air Liquide published the following press release: “Latin America: Air Liquide expands its business to Colombia. In the context of a contract with Coca-Cola FEMSA, the largest bottler of Coca-Cola products in the world and the largest beverage company in Latin America, Air Liquide will build and operate a new facility consisting of a carbon dioxide production unit and a cogeneration unit (produces steam and electricity simultaneously from natural gas and water). This investment of around 40 million euros (Air Liquide investment decision made in the 1<sup>st</sup> half of 2015)

marks Air Liquide's entry into the Colombian industrial gas market. Under the terms of the agreement, Air Liquide will supply carbon dioxide as well as nitrogen, electricity, refrigerated water, compressed air and steam to Coca-Cola FEMSA's largest bottling facility in Colombia, located in the municipality of Tocancipá, Cundinamarca, approximately 40 kilometers north of Bogotá. Air Liquide's new facility in Tocancipá is expected to begin commercial production in late 2016. Air Liquide's new facility will employ at least 30 people. It will be located within the Permanent Free Trade Zone FEMSA Industrial Park (the Permanent Free Trade Zone FEMSA Industrial Park is designated as a Colombian permanent free trade zone). Additional carbon dioxide produced by Air Liquide's facility will be available to the surrounding market. Latin America offers development prospects for Air Liquide. Colombia, the fourth largest economy in Latin America, shows attractive growth potential supported by robust industrial and manufacturing activity, a rapidly expanding economy and abundant natural resources. Air Liquide is well-positioned to meet the growing needs of the region, supplying products, services and technologies to help industry improve safety, efficiency and productivity. Air Liquide also supplies industrial gases and utilities to two of Coca-Cola FEMSA's major bottling facilities in Brazil, in the cities of Itabirito and Jundiaí. Michael J. Graff, Senior Vice-President for the Americas and member of the Air Liquide Group's Executive Committee, commented: "Our entry into Colombia provides a major opportunity for Air Liquide as we establish our presence in this strategic market and further expand our presence in Latin America. We are very pleased to have reached this milestone in our working relationship with Coca-Cola FEMSA, a long-term partner of Air Liquide. We look forward to our continuing partnership and to supporting Coca-Cola FEMSA's growth in Latin America by supplying safe, reliable and sustainable solutions." Air Liquide in the Americas. Air Liquide is present in 14 countries across North America, Central America and the Caribbean, and South America. Air Liquide companies in the Americas offer industrial and medical gases, technologies and related services to customers in many industries including energy, industrial manufacturing, electronics and healthcare markets. Use of gases in the bottling industry. Industrial gases such as purified and liquefied carbon dioxide are primarily used in the bottling process to provide carbonation in beverages."

- On 5 February 2016, Air Liquide published the following press release: "Healthcare: Air Liquide announces the acquisition of a hygiene specialist in Brazil. Air Liquide announces the acquisition by its subsidiary Schülke, a specialist in hygiene and hospital disinfection, of Vic Pharma, a company operating in this sector in Brazil. Founded in 1990, Vic Pharma is the second largest independent player in the Brazilian hygiene market and counts more than 100 employees. It offers a broad range of hygiene products for disinfecting surfaces, instruments and medical devices, as well as antiseptic solutions for pre- or post-operative care. Present mainly in the hospital and medical settings, the company generated revenue of around €8 million in 2015. It distributes its product range to hospitals through a wide distribution network that covers the entire country. The Group will call on the existing teams to pursue the deployment and distribution of Vic Pharma product lines, to which the Schülke hygiene product lines will gradually be added. Thanks to this acquisition, made via a majority equity stake (75%), Air Liquide reinforces its position in the South American Healthcare market. Pascal Vinet, Vice-President Global Healthcare Operations and member of Air Liquide group's Executive Committee, commented: "With this acquisition Air Liquide Healthcare pursues the development of its Hygiene activity, extending its geographic reach to South America. The Group thus strengthens its Healthcare business in this region." Air Liquide Healthcare supplies medical gases, home healthcare services, hygiene products, medical equipment and specialty ingredients. In 2014, it served over 7,500 hospitals and more than 1 million patients at home throughout the world. The Group's Healthcare business reached € 2,570 million in revenues in 2014, with the support of its 12,000 employees. Schülke in brief. Subsidiary of the Air Liquide group within the Healthcare activity and expert in hospital disinfection, Schülke designs and supplies since more than 125 years a wide range of disinfectants and antiseptics mainly for medical

environment to actively contribute to patient safety. Present in 80 countries through its affiliates and network of distributors, Schülke employs over 900 people around the world, including 70 researchers.”

## **Airgas Acquisition**

### ***Recent Developments since 1 January 2016***

- On 26 January 2016, Air Liquide published the following press release: “Update: Air Liquide’s acquisition of Airgas on track. A special meeting of Airgas’ shareholders has been scheduled for February 23, 2016. Customary regulatory reviews proceeding as expected. The parties continue to expect to complete the merger in the second or third quarter of 2016. Previously committed bridge financing successfully syndicated amongst large group of international banks. Air Liquide (Euronext Paris: AI), world leader in gases, technologies and services for Industry and Health, and Airgas (NYSE: ARG), the leading supplier of packaged gases and associated products and services in the United States, announce the date of the special meeting of Airgas’ shareholders to approve Air Liquide’s pending acquisition of Airgas. This special meeting is scheduled to take place on February 23, 2016. The transaction, which was unanimously approved by each of Air Liquide’s and Airgas’ Boards of Directors prior to its announcement, is expected to close following approval by Airgas shareholders, receipt of necessary antitrust and other regulatory approvals, as well as additional customary closing conditions. Both companies are pleased with the progress made to date and the pending transaction is progressing as expected.
  - On January 22, 2016, Airgas filed its definitive proxy statement relating to the special meeting of its shareholders to obtain approval of the acquisition (a simple majority of the outstanding shares of Airgas is required). The special meeting is scheduled to take place on February 23, 2016.
  - Both Air Liquide and Airgas are actively engaged with the US Federal Trade Commission (the "FTC") in connection with the proposed acquisition of Airgas. The parties are cooperating fully with the FTC’s investigation, including by providing information requested in the FTC’s "second request".
  - Assuming timely receipt of the required regulatory clearances and satisfaction of other closing conditions, the parties continue to expect to complete the merger in the second or third calendar quarter of 2016.
  - The bridge financing, initially underwritten by Barclays Bank PLC and BNP Paribas, has been syndicated among a large group of international banks, who have longstanding working relationships with Air Liquide. The loan agreement was signed on December 17, 2015. Airgas files annual, quarterly and current reports, proxy statements and other information, including the principal documents relating to this transaction, with the SEC. Such filings are available to the public free of charge from the SEC website at <http://www.sec.gov/edgar/searchedgar/webusers.htm>.”
- On 23 February 2016, Air Liquide published the following press release: “Airgas shareholders approve Air Liquide’s acquisition of Airgas. Airgas (NYSE: ARG) shareholders, during a special shareholder meeting held earlier today, voted to approve the previously announced acquisition of Airgas, one of the leading suppliers of industrial gases and associated products and services in the United States, by Air Liquide (Euronext Paris: AI), world leader in gases, technologies and services for Industry and Health. 75.9% of the total outstanding shares of Airgas common stock and 99.5% of the total shares voted were in favor of the transaction. The affirmative vote of a simple majority of outstanding Airgas shares was required to approve the merger. Once the acquisition is completed, the combined entity will be the largest industrial gas company in the world with leadership in North America complementing its number

one positions in Europe, Africa/Middle East and Asia-Pacific. Bringing together two highly complementary businesses will deliver greater value, service and innovation to customers around the world. Peter McCausland, Executive Chairman of Airgas, said: “I thank our shareholders for their trust and support. The transaction with Air Liquide is very compelling and we are excited to move forward with the process to create the largest industrial gas company in the world. The combined company will improve existing offerings and open new markets, benefiting both companies’ customers and employees. We look forward to continuing to work closely with Air Liquide to complete the transaction and achieve a smooth transition.” Benoît Potier, Chairman and CEO of Air Liquide, said: “This approval is a significant milestone as we move closer to completing our acquisition of Airgas. The transaction will deliver substantial benefits to both companies’ stakeholders and will further solidify our ambition to be the leader in our industry, delivering long-term performance and acting responsibly. We look forward to a successful future with Airgas.” Assuming timely receipt of the necessary antitrust and other regulatory approvals, and satisfaction of all closing conditions, the parties continue to expect to complete the merger in the second or third calendar quarter of 2016. Airgas files annual, quarterly and current reports, proxy statements and other information, including the principal documents relating to this transaction, with the SEC. Such filings are available to the public free of charge from the SEC website at <http://www.sec.gov/edgar/searchedgar/webusers.htm>.”

- On 13 May 2016, Air Liquide published the following press release: “U.S. Federal Trade Commission clears Air Liquide’s acquisition of Airgas. Paris, France & Radnor (Pennsylvania), USA – 13 May 2016 – Air Liquide (Euronext Paris: AI) announced today that the U.S. Federal Trade Commission (the “FTC”) has cleared the acquisition of Airgas (NYSE: ARG) by Air Liquide, satisfying the final regulatory condition to the closing of the pending acquisition. The companies anticipate closing the acquisition on 23 May 2016, subject to the satisfaction of the remaining customary closing conditions. The FTC's clearance is subject to certain conditions, to be satisfied following the closing of Air Liquide’s acquisition of Airgas, which Air Liquide has agreed to undertake, including the sale of certain assets. A divestiture package has been prepared and the divestiture process is well underway. FTC clearance is the last major step towards acquisition closing, and follows the decision by the Committee on Foreign Investment in the United States (CFIUS) on 10 March 2016 that the proposed acquisition poses no national security concerns, and Airgas shareholder approval on 23 February 2016. As announced on 17 November 2015, combining Air Liquide and Airgas will bring together two highly complementary businesses to deliver greater value, service and innovation to customers in North America and around the world. This acquisition will give Air Liquide a greater presence in the U.S. market, the largest for industrial gases worldwide, and will ideally position the company for future growth, using Airgas’ footprint to accelerate the deployment of Air Liquide’s new offerings, technologies, and innovations to customers. It will also extend Air Liquide’s customer base by more than one million customers through a unique multi-channel distribution network in the U.S. and a nationwide presence (more than 1,100 locations across the country, including approximately 900 branches and retail stores). The FTC decision is accessible via the following link: <https://www.ftc.gov/enforcement/casesproceedings/161-0045/american-air-liquide-holdings-inc-matter>.”
- On 23 May 2016, Air Liquide published the following press release: “Air Liquide completes acquisition of Airgas. Acquisition’s strong industrial and market logic ideally positions company for future growth and long-term value creation. More than \$300 million in synergies identified, with the majority to be achieved within the next two to three years. Air Liquide strengthens its global leadership in the industrial gas industry. Air Liquide (Euronext Paris: AI), world leader in gases, technologies and services for Industry and Health, today announced that it has completed the acquisition of Airgas, Inc., one of the leading suppliers of industrial gases and associated products and services in the U.S. Globally, the

combined businesses will generate annual sales of more than €20 billion (more than \$22 billion at current exchange rate – calculated as of Friday, 20 May 2016), employ approximately 68,000 people around the world, and serve well over three million customers and patients. Benoît Potier, Chairman and CEO of Air Liquide, said: “We are very pleased to have successfully closed our acquisition of Airgas, which will contribute to our strategy of profitable growth over the long term. There is strong industrial and market logic to this acquisition, which ideally positions Air Liquide for future growth. The two businesses are highly complementary, and the transaction extends our customer base through a unique, multi-channel distribution network and a nationwide presence in the U.S. Since founding Airgas some 30 years ago, Peter McCausland has successfully grown the business into one of the premier industrial gas companies in the U.S., and I would like to thank him for his leadership, dedication and achievements. This transaction represents significant value potential for all Air Liquide stakeholders, and it is an exciting day for the Group as we welcome our Airgas colleagues and together begin a new chapter in our history.” Peter McCausland, Executive Chairman of Airgas, said: “Today’s history-making transaction is the culmination of more than 30 years of growth and value that we have steadfastly delivered to Airgas shareholders – it is a proud moment. The future is very bright for Airgas’ more than one million customers and our talented employees as we join Air Liquide’s unrivalled global footprint and strength in technology and innovation, while remaining committed to Airgas’ product offering, service model, and entrepreneurial culture. Thank you to our customers, shareholders, and associates for believing in the Airgas vision, just as I have, for all of these years.” Under the terms of the merger agreement, first announced and unanimously approved by each company's Board of Directors in November 2015, Airgas shareholders receive \$143 in cash for each share of common stock of Airgas. In connection with the merger, the Airgas common stock has been delisted from the New York Stock Exchange. Airgas will operate as a subsidiary of Air Liquide within the company’s U.S. operations and, commercially, will go to market as Airgas, an Air Liquide company. Strategic Rationale: There is strong industrial and market logic to this acquisition, which ideally positions the Group for future growth and long term value creation. It allows Air Liquide to expand in the U.S., the largest global market for industrial gases, and extends Air Liquide’s customer base by more than one million customers. The transaction will also create efficiencies in production and supply chain thanks to the complementary nature of the two businesses, and allows for potential volume growth using Airgas’ footprint to accelerate the deployment of Air Liquide’s new offerings and technologies. The acquisition also brings with it the most advanced multi-channel distribution network in the U.S., including e-commerce and telesales capabilities. The transaction is expected to generate significant synergies. Through active preparation work prior to the closing, more than \$300 million of pre-tax industrial, administrative and volume growth synergies have been identified, the majority of which are targeted for delivery within the next two to three years, and are structured in detailed work plans. The combination represents significant value potential for all Air Liquide stakeholders, including shareholders, customers, and employees. The transaction will be accretive from year one of ownership. Air Liquide and Airgas together will deliver greater value, service and innovation to customers in North America and around the world by allowing Air Liquide to offer its leading production and innovation capabilities to a broader customer base. This combination also creates new opportunities for employees as part of a leading global organization that is ideally positioned for growth. The combination strengthens Air Liquide’s global leadership in the industrial gas business. Air Liquide becomes the leader in North America, complementing number one positions in Europe, Middle East/Africa and Asia-Pacific. It will also be number one in Industrial Merchant, Large Industries and Electronics, and one of the key players in Healthcare. Leadership Announcements: Peter McCausland, Executive Chairman of the Board of Airgas, retired upon closing of the transaction. Pierre Dufour, Senior Executive Vice-President and Board Director of Air Liquide, has been appointed Chairman of the Board of Airgas. Michael Graff, Member of the Air Liquide Group’s Executive Committee and Executive Vice-President of the Houston Hub, has been appointed Vice

Chairman of the Board of Airgas. Pascal Vinet, Member of the Air Liquide Group's Executive Committee, will be appointed CEO of Airgas, after a brief, post-closing transition phase. During this transition phase, Michael Molinini will continue with his current responsibilities, serving as Interim CEO of Airgas, and he will retire later this year. Andrew Cichocki has been promoted to the role of Chief Operating Officer of Airgas, where his responsibilities will include direct oversight of the combined companies' Industrial Merchant and Healthcare activities in the U.S., which are being consolidated under Airgas. Next Steps: Air Liquide will pursue and finalize sales of certain assets of the combined company in line with the divestiture process described in the U.S. Federal Trade Commission's press release on 13 May 2016. The contemplated divestitures are in line with what Air Liquide was expecting prior to the transaction, and they will reduce the combined company's sales by approximately \$270 million annually. Air Liquide received bridge financing for the transaction and refinancing of the acquisition will involve a capital increase in the range of €3 billion to €3.5 billion, together with a combination of U.S. dollar and Euro long-term bonds. Air Liquide is contemplating a capital increase with preferential subscription rights for shareholders at the end of Q3 2016 or the beginning of Q4 2016, subject to market conditions. Air Liquide management will hold a Capital Markets Day for investors and analysts on 6 July 2016 in London, where the new Group mid-term plan will be presented. Barclays Bank Plc and BNP Paribas are acting as financial advisors to Air Liquide. Cleary Gottlieb Steen & Hamilton LLP and Bredin Prat are acting as the primary legal advisors to Air Liquide. Goldman Sachs and Bank of America Merrill Lynch are acting as financial advisors to Airgas and Wachtell, Lipton, Rosen & Katz is acting as legal advisor to Airgas."

- On 23 May 2016, following the closing of the acquisition of Airgas, Inc., one of the leading suppliers of industrial gases and associated products and services in the U.S. by Air Liquide, world leader in gases, technologies and services for Industry and Health, Airgas announced to the holders of its outstanding \$325,000,000 1.650% notes due 2018 (the "**2018 Notes**"), \$275,000,000 2.375% notes due 2020 (the "**2020 A Notes**"), \$400,000,000 3.050% notes due 2020 (the "**2020 B Notes**"), \$250,000,000 2.900% notes due 2022 (the "**2022 Notes**") and \$300,000,000 3.650% notes due 2024 (the "**2024 Notes**" and, together with the 2018 Notes, the 2020 A Notes, the 2020 B Notes and the 2022 Notes, the "**Affected Notes**") issued under the indenture, dated as of 27 May 2010, between Airgas and U.S. Bank National Association, as trustee, as amended and supplemented from time to time (the "**Indenture**") that following the expiration of the consent solicitation on 9 May 2016 and the satisfaction of all conditions described in the consent solicitation statement dated 26 April 2016, as supplemented by a supplement dated 2 May 2016, it will promptly pay to each holder of Affected Notes who delivered (and did not revoke) a valid consent in favor of the proposed amendments to the Indenture prior to the Expiration Date, a cash payment of \$1.50 for each \$1,000 principal amount of Affected Notes in respect of which such holder delivered (and did not revoke) such consent. Furthermore, in accordance with the provisions of the supplemental indenture incorporating the amendments to the Indenture and dated as of 9 May 2016, Air Liquide elected to provide (by way of a further supplemental indenture dated as of 23 May 2016) an unconditional guarantee of Airgas's payment obligations under the Indenture, the Affected Notes and all other notes issued thereunder. As a result of the issuance of this guarantee, Air Liquide will provide its periodic and current reporting (under applicable French law) in lieu of Airgas's existing periodic and current reporting obligations.

### ***Brief Description of Airgas***

Airgas is one of the leading suppliers of industrial, medical and specialty gases and hardgoods (such as welding equipment and related products) in the United States, offering the full range of gases in various delivery modes (both in packaged and bulk quantities). In particular, Airgas is a leader in the U.S. packaged gas market in the United States.

The customer base of Airgas is diverse and lies principally in the manufacturing and metal fabrication, non-residential construction as well as food and healthcare sectors. Airgas serves more than one million customers in diversified end markets with a team of 17,000 professionals and industry specialists. In particular, Airgas has one of the largest customer-facing organisations in the industrial gas market with a sales force of over 2,000 employees. Airgas has also developed a large multi-channel distribution network with a high density across the United States. Airgas has wide footprint in the United States with 1,100 locations and over 900 branches and retail stores (retail stores are an integral part of the packaged gas business model of Airgas as the concept of a “one-stop shop” to serve small businesses and individual entrepreneurs allows both the sale of gas and cylinder rentals as well as the related safety and welding hardgoods). Airgas also has a developed e-commerce platform with its e-business portal serving as a reference for other industrial gas companies.

### ***Business Strategy***

Air Liquide’s market presence in the United States is primarily in upstream distribution with production both in large industries, industrial merchant in bulk as well as coverage in electronics and in healthcare (medical gas to hospitals only) business lines. Air Liquide’s sales focus on direct supply and services to large and medium-size customers. In contrast, Airgas’ market presence in the United States is primarily in downstream distribution with 300 filling stations and direct delivery of packaged gas through 900 branches/retail stores, telesales, e-commerce, or next-day direct deliveries from national warehouses.

The Acquisition of Airgas builds on Air Liquide’s longstanding track record of operating in the United States and the potential for further growth using Airgas’ footprint to accelerate the deployment of Air Liquide’s technologies in the U.S. market. It is expected that Air Liquide will benefit from Airgas’ greater national presence and customer base in the United States, as well as from its leading customer-facing platform including e-commerce and telesales capabilities. It is also expected that the Acquisition will reinforce Air Liquide’s global leadership position and allow the combined entity to better serve customers with advanced multi-distribution networks in the United States and it will create new opportunities for employees as part of a leading global organisation. In addition, the potential replication of the Airgas business model outside the United States may also provide further opportunities for growth.

### ***Financing of the Acquisition***

Air Liquide Finance incurred US\$11.6 billion of additional indebtedness, of which \$10.7 billion of equity purchase and the balance for Airgas debt refinancing, after the drawdown on the US\$12 billion bridge loan syndicated credit facility to finance the Acquisition of Airgas. The Acquisition Debt is expected to be refinanced through the combination of newly-issued debt securities (including offerings of dollar- and euro-denominated senior debt) and of a rights offering. See “*Risk Factors - Risks factors related to the Issuers and the Guarantor - Risks relating to the Acquisition of Airgas*”.

### ***Airgas key figures***

Airgas global revenues amounted to US\$5.3 billion for the fiscal year ending 31 March 2016 and its total debt stood at US\$2,588 million as of 31 March 2016 (comprised of US\$383 million in short-term debt, US\$250 million in current portion of long-term debt and US\$1,955 million in long-term debt) (further historical standalone financial information relating to Airgas is available through the Airgas website at [www.airgas.com](http://www.airgas.com)).

As of 23 May 2016, Airgas's outstanding indebtedness which was not refinanced prior to or upon completion of the Acquisition consisted in:

- five series of senior notes for an aggregate principal amount of USD 1,550 million (US\$325,000,000 1.650% notes due 2018, US\$275,000,000 2.375% notes due 2020, US\$400,000,000 3.050% notes

due 2020, US\$250,000,000 2.900% notes due 2022 and US\$300,000,000 3.650% notes due 2024);  
and

- trade receivables securitization for an amount of US\$330 million.



## DESCRIPTION OF AIR LIQUIDE FINANCE

### General Information

Air Liquide Finance (“**Air Liquide Finance**”) is a French *société anonyme* registered with the *Registre du commerce et des sociétés* of Paris under number 428 711 949. Its registered office is at 6, rue Cognacq Jay, 75007 Paris, France and its phone number is + 33 1 40 62 55 55.

Air Liquide Finance was incorporated on 23 December 1999 under the laws of France, and has a term of 99 years. It is governed by Articles L.210-1 and following of the French *Code de commerce*.

Air Liquide Finance is a wholly owned subsidiary of L’Air Liquide.

Air Liquide Finance’s issued share capital amounts to EUR 72,000,000 represented by 6,000,000 ordinary shares of EUR 12 nominal value each.

Legal name and commercial name: Air Liquide Finance

### Corporate Purpose

Air Liquide Finance was created to carry out certain financial activities in connection with the funding of the Air Liquide Group. Air Liquide Finance’s role is to raise funds in the capital markets or in the bank market, and to lend the proceeds to Air Liquide Group subsidiaries. Air Liquide Finance can issue notes, *inter alia*, under a French Commercial Paper Programme of EUR 3 billion guaranteed by L’Air Liquide and under this Programme. In addition, its wholly-owned subsidiary Delaware limited company Air Liquide U.S. LLC, is the issuer under a US Commercial Paper Programme of USD 1.5 billion guaranteed by L’Air Liquide.

Since 2001, Air Liquide Finance has taken on the financing, treasury management and management of the interest rate and foreign exchange risks activities for the Air Liquide Group.

Air Liquide Finance’s corporate purpose, as per article 2 of its articles of association, is summarised below and comprises:

- the performance of treasury operations with companies of the Air Liquide Group, in accordance with the provisions of Article L. 511-7(3) of the Monetary and Financial Code (*Code monétaire et financier*) or of any other applicable legal provisions, by having recourse to the financial markets and within the framework of a centralized management of financing and treasury; these operations could be carried out in particular by means of loans (either as lender or borrower), hedging of foreign exchange rate and by the issuance of securities or sureties,
- the direct or indirect participation in all businesses and industrial, financial or commercial companies, by way of setting-up new companies, contributions, subscription or purchase of titles or social rights, mergers, unregistered partnership or others, and all operations of alienation, exchange or others, relating to the aforementioned titles, social rights and participations,
- the deposit, exploitation, purchase, sale of all patents, models, marks and of all industrial property rights being attached directly or indirectly to the activity of Air Liquide Finance; the concession or acquisition of all user licenses and all rights of this nature,

and generally, all financial, commercial, movable and real estate transactions being attached directly or indirectly to the corporate purpose referred to above.

## Financial Statements

Air Liquide Finance publishes non-consolidated annual financial statements, which are audited by its statutory auditor. Air Liquide Finance is not required to publish semi-annual financial statements.

The current statutory auditor of Air Liquide Finance is Ernst & Young et Autres, represented by Jeanne Boillet (1/2, place des Saisons, 92400 Courbevoie, France). The deputy auditor is Auditex (1/2 place des Saisons, 92400 Courbevoie, France).

## Management

Air Liquide Finance is administered by a board of directors (*Conseil d'administration*) composed of at least three and no more than seven directors. Directors are elected annually by the shareholders and their terms are for one year. Each director must own at least a share of the company. The board of directors elects a President from among its directors. The board of directors meets, on the President's invitation, every time the social interest requires it. The general management is run by the President of the board or by a managing director elected by the board of directors. A review committee may be created by the board in order to work on any query submitted to it by the board of directors or the President for advice purposes.

As of 12 May 2016, the following are the members of the Board of Directors of Air Liquide Finance:

|   |  |
|---|--|
| <b>Fabienne LECORVAISIER</b>  | <b>Director, Chairman and Chief executive officer</b>  |
|   | Professional address: 75 quai d'Orsay, 75007 Paris, France   |
| <i>Functions within L'Air Liquide</i>   | Chief Financial Officer  |
| <i>Principal activities undertaken outside L'Air Liquide as of 31 December 2015</i> | Director: American Air Liquide Holdings, Inc., Air Liquide International, Air Liquide France Industrie, Air Liquide Eastern Europe, Aqualung International, Air Liquide International Corporation, SOAEO and SANOFI.<br><br>Chairman: Air Liquide US LLC |
| <b>Alain LE BORGNE</b>  | <b>Director</b>  |
|   | Professional address: 75 quai d'Orsay, 75007 Paris, France   |
| <i>Functions within L'Air Liquide</i>   | Deputy Group Finance Director  |
| <i>Principal activities undertaken outside L'Air Liquide as of 31 December 2015</i> | Director: LVL Medical Groupe, Gasoxmed – Gases Medicinais, S.A., AL Air Liquide España, S.A., Singapore Employment Company Air Liquide Pte Ltd.<br><br>Director and Chairman : Air Liquide Services Partagés   |
| <b>Jacques MOLGO</b>  | <b>Director</b>  |
|   | Professional address: 75 quai d'Orsay, 75007 Paris, France   |
| <i>Functions within L'Air Liquide</i>   | Group Financing and Treasury Director  |
| <i>Principal activities undertaken outside L'Air Liquide as of 31 December 2015</i> | Director: Air Liquide Participations and Air Liquide Afrique.  |

**Yves BATAILLON-DEBES**

**Director**

Professional address: 75 quai d'Orsay, 75007 Paris, France

*Functions within L'Air Liquide*

Corporate Finance and M&A Officer

*Principal activities undertaken outside L'Air Liquide as of 31 December 2015*

Director: Air Liquide Middle East, ALIAD, Horizon Specialty Leasing (BVI) Limited, Horizon Specialty Leasing Limited, Oilfield Hire and Services (BVI) Limited, OHS Group (BVI) Limited, Oilfield Hire and Services Limited and AL-RE.

Director, Chairman and Chief executive officer: AZERUS

#### **No conflicts of interest**

There are no potential conflicts of interests between any duties to Air Liquide Finance of the members of the administrative and management or supervisory bodies of Air Liquide Finance and their private interests and/or other duties.

There are no arrangements or agreements concluded with the main shareholders, customers, suppliers or others, pursuant to which the persons mentioned above have been selected as members of the Board of Directors.

#### **Recent development**

As of 31 May 2016, Air Liquide Finance has issued market debt through short term programmes (*Billet de Trésorerie* and US Commercial Papers) to finance the upcoming dividend payment of L'Air Liquide due 25 May 2016 and the working capital requirement seasonality which is historically higher during the first half of the year.

## DESCRIPTION OF THE GUARANTEE

### Nature of the Guarantee

#### Main Provisions

L’Air Liquide (the “**Guarantor**”) granted through the execution of a guarantee agreement dated 3 June 2016 an irrevocable and unconditional guarantee (the “**Guarantee**”) up to a maximum aggregate principal amount of €12,000,000,000 plus any amount of interest due under the Notes issued by Air Liquide Finance.

The Guarantor shall be liable under this Guarantee as if it was the sole principal issuer under the terms and conditions of the Notes issued by Air Liquide Finance. The Guarantor waives under the Guarantee any requirement that the Noteholder, in the event of any default in payment by the Issuer first makes demand upon or seeks to enforce remedies against the Issuer before seeking to enforce this Guarantee. Furthermore, for so long as any amount remains payable in respect of the Notes, the Guarantor will not exercise any right of subrogation against the Issuer pursuant to the Guarantee or take any other action that would result in asserting claims of the Guarantor at the same time as claims of the Noteholder.

#### Additional Provisions

The Guarantor will not be discharged under the Guarantee by the merger, dissolution or transfer of the assets of the Issuer. Moreover, if at any time when any amount remains payable in respect of the Notes, or if applicable, the coupons relating thereto, the Guarantor shall grant any mortgage (*hypothèque*), charge, pledge or other security interest (*sûreté réelle*) upon any of its assets or revenues, present or future to secure any Relevant Indebtedness (as defined in the terms and conditions of the Notes), incurred or guaranteed by it, the Guarantee shall be secured by the same ranking security.

### Scope of the Guarantee

The Guarantee shall secure the payment of interest and principal due under the Notes, when and as the same becomes due and payable (including any additional amounts required to be paid pursuant to the terms of the Notes), by Air Liquide Finance, whether at maturity, upon redemption by acceleration of maturity or otherwise. The Guarantor undertakes to pay any sum due under the Notes and unpaid by Air Liquide Finance in accordance with the terms and conditions of the Notes.

### Information to be disclosed about the Guarantor

All material information about the Guarantor has been provided in this Debt Issuance Programme Prospectus.

### Documents on Display

The Guarantee shall be available in accordance with section “General Information”.

## TAXATION

### EU TAXATION

*The following is a summary limited to certain tax considerations applicable under the laws of the European Union (“EU”) 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.*

Under the EC Council Directive 2003/48/EC of June 3, 2003 on the taxation of savings income in the form of interest payments (the “**Directive**”), Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within their jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. Austria however imposes instead a withholding system in relation to such payments for a transitional period, unless during such period it elects otherwise. Under such a withholding system, the beneficial owner of the interest payment may, on meeting certain conditions, request that no tax be withheld and elect instead for an exchange of information procedure. The rate of this withholding tax is currently 35%.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount 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 application of such withholding tax.

The Issuer is required to maintain a paying agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Savings Directive.

On December 9, 2014, the Council of the European Union adopted the EU Council Directive 2014/107/EU (the “**DAC Directive**”) amending the existing EU Council Directive 2011/16/EU on administrative cooperation. Pursuant to the DAC Directive, Member States will generally be required to apply new measures on mandatory automatic exchange of information from January 1, 2016. Austria received a derogation and is allowed to start applying the DAC one year later than the other Member States, but announced that it would not make full use of this derogation. The new regime under the DAC is aligned with the single global Standard for Automatic Exchange of Financial Account Information in Tax Matters developed and released by the Organisation for Economic Co-operation and Development in July 2014. The DAC is generally broader in scope than the Savings Directive, although it does not impose withholding taxes.

In order to avoid overlap between the Savings Directive and the DAC, the Council of the European Union has adopted on November 10, 2015 a Council Directive 2015/2060/EU repealing the Savings Directive from January 1, 2017 in the case of Austria and from January 1, 2016 in the case of all other Member States (subject to ongoing requirements to fulfill administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before that date).

A number of third countries and territories have adopted similar measures to the Savings Directive. Some of those measures have been revised to be aligned with the DAC, and other such measures may be similarly revised in the future.

Investors should inform themselves of, and where appropriate take advice on, the impact of the Savings Directive, similar measures adopted by number of third countries and territories, and the DAC on their investment.

## LUXEMBOURG – TAXATION

*The following is a general description of certain withholding tax considerations relating to the Notes as in effect and as applied by the relevant tax authorities as at the date hereof and does not purport to be a comprehensive discussion of the tax treatment of the Notes.*

*Prospective investors should consult their own professional advisers on the implications of making an investment in, holding or disposing of Notes and the receipt of interest with respect to such Notes under the laws of the countries in which they may be liable to taxation.*

### **Withholding tax**

Under Luxembourg tax law currently in effect and subject to the exception below, there is no Luxembourg withholding tax on payments of interest (including accrued but unpaid interest).

In accordance with the law of 23 December 2005, as amended, interest payments made by Luxembourg paying agents to Luxembourg individual residents and to certain residual entities are subject to a 10 per cent. withholding tax. Responsibility for withholding such tax will be assumed by the Luxembourg paying agent.

## FRANCE – TAXATION

*The following is a summary limited to certain withholding tax considerations in France relating to the Notes that may be issued under the Programme as in effect and as applied by the relevant tax authorities as at the date hereof and specifically contains information on taxes on the income from the securities withheld at source that may be relevant to holders of Notes who do not concurrently hold shares of the Issuers. 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.*

Under Articles 199 ter and 242 ter of the French Tax Code and Articles 49 I *ter* to 49 I *sexies* of Appendix III to the French Tax Code, paying agents based in France are subject to an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another EU 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.

Payments of interest and other revenues made by L’Air Liquide or Air Liquide Finance in their capacity as Issuer 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 75 per cent. withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of any applicable double tax treaty) by virtue of Article 125 A III of the French *Code Général des Impôts*.

Furthermore, according to Article 238 A of the French *Code Général des Impôts*, interest and other revenues on such Notes by L’Air Liquide or Air Liquide Finance in their capacity as Issuer 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 (subject to certain exceptions). Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Article 109 et seq. 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* 2 of the French *Code Général des Impôts*, at a rate of 30 per cent. or 75 per cent. (subject to the more favourable provisions of any applicable double tax treaty).

Notwithstanding the foregoing, neither the 75 per cent. withholding tax set out under Article 125 A III of the French *Code Général des Impôts* nor, to the extent the relevant interest or other revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, the non-deductibility set out under Article 238 A of the French *Code Général des Impôts* will apply in respect of a particular issue of Notes if L'Air Liquide or Air Liquide Finance, as the case may be, 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 French tax administrative guidelines (BOI-INT-DG-20-50-20140211, n°550 and 990, BOI-RPPM-RCM-30-10-20-40-20140211, n°70 and n°80, and BOI-IR-DOMIC-10-20-20-60-20150320, n°10), 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 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.

Where the paying agent (*établissement payeur*) is established in France, pursuant to Article 125 A of the French *Code Général des Impôts*, subject to certain limited exceptions, interest and similar income received by individuals who are fiscally domiciled in France are subject to a 24 per cent. withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and other related contributions) are also levied by way of withholding tax at an aggregate rate of 15.5 per cent. on such interest and similar income received by individuals who are fiscally domiciled in France.

See "Terms and Conditions of the Notes - Taxation".

## **HONG KONG**

*The following is a general description of certain Hong Kong tax considerations relating to the Notes. It is based on the tax laws and regulations of Hong Kong as currently in effect and which is subject to change or to different interpretation. It does not constitute legal or taxation advice and it does not purport to be a complete analysis of all tax considerations relating to the Notes. Prospective holders of Notes who are in any doubt as to their tax position or who may be subject to tax in any jurisdiction are advised to consult their own professional advisers.*

### *Withholding Tax*

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

### *Profits Tax*

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

Interest on the Notes may be deemed to be profits arising in or derived from Hong Kong from a trade, profession or business carried on in Hong Kong in the following circumstances:

- (a) interest on the Notes is derived from Hong Kong and is received by or accrues to a company, other than a financial institution (as defined in the Inland Revenue Ordinance), carrying on a trade, profession or business in Hong Kong;
- (b) interest on the Notes is derived from Hong Kong and is received by or accrues to a person, other than a company, carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business; or
- (c) interest on the Notes is received by or accrues to a financial institution (as defined in the Inland Revenue Ordinance (Cap.112) of Hong Kong) and arises through or from the carrying on by the financial institution of its business in Hong Kong.

Sums derived from the sale, disposal or redemption of Notes will be subject to Hong Kong profits tax where received by or accrued to a person, other than a financial institution, from the carrying on of a trade, profession or business in Hong Kong and the sum has a Hong Kong source. The source of such sums will generally be determined by having regard to the manner in which the Notes are acquired and disposed of.

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

### *Stamp Duty*

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

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

If stamp duty is payable it is payable by the Issuer on the issue of bearer Notes at a rate of 3 per cent. of the market value of the Notes at the time of issue. No stamp duty will be payable on any subsequent transfer of bearer Notes.

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

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

If stamp duty is payable in respect of the transfer of registered Notes it will be payable at the rate of 0.2 per cent. (of which 0.1 per cent. is payable by the seller and 0.1 per cent. is payable by the purchaser) normally by reference to the consideration or its value, which is higher. In addition, stamp duty is payable at the fixed rate



of HK\$5 on each instrument of transfer executed in relation to any transfer of the registered Notes if the relevant transfer is required to be registered in Hong Kong.

## SUBSCRIPTION AND SALE

### Overview of Amended and Restated Dealer Agreement

Subject to the terms and on the conditions contained in an amended and restated dealer agreement dated 3 June 2016 (the “**Amended and Restated Dealer Agreement**”) between L’Air Liquide, Air Liquide Finance, the Permanent Dealers and the Arranger, the Notes will be offered on a continuous basis to the Permanent Dealers. Each 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 relevant Issuer through the Dealers, acting as agents of such Issuer. The Amended and Restated Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

L’Air Liquide and Air Liquide Finance will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it unless otherwise agreed. L’Air Liquide and Air Liquide Finance have agreed to reimburse the Arranger for certain of its expenses incurred in connection with the Programme and the Dealers for certain of their activities in connection with the Programme. The commissions in respect of an issue of Notes on a syndicated basis will be stated in the relevant Final Terms.

L’Air Liquide and Air Liquide Finance have agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Amended and Restated 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 relevant Issuer.

### Selling Restrictions

#### France

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent 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 Debt Issuance Programme 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 gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*) acting for their own account, as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French *Code monétaire et financier*.

#### United States

The Notes and the Guarantee in respect of 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. Terms 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. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, except as permitted by the Amended and Restated Dealer Agreement, it will not offer, sell or, in the case of Materialised Bearer Notes, deliver the Notes of any identifiable Tranche, (i) as part of their distribution at any time or (ii) otherwise until 40 calendar days after completion of the distribution of such Tranche as determined, and certified to the relevant 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 calendar 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 agreed, and each further Dealer appointed under the Programme will be required to represent 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 of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (the “FSMA”) by the relevant Issuer or the Guarantor;
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the relevant Issuer or the Guarantor; 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 any Notes in, from or otherwise involving the United Kingdom.

### **Italy**

The offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* (“CONSOB”) pursuant to Italian securities legislation and, accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or delivered, and will not offer, sell or deliver any Notes in the Republic of Italy (“Italy”) and that copies of this Base Prospectus or any other document relating to the offering of the Notes have not and will not be distributed in Italy, except:

- (a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 34-ter, paragraph 1, letter b), of CONSOB Regulation No. 11971 of 14 May 1999, as amended (the “Issuers Regulation”); or
- (b) in any other circumstances where an express exemption from compliance with the restrictions on offers to the public applies, including, without limitation, as provided under Article 100 of Legislative

Decree No. 58 of 24 February 1998, as amended (the “**Consolidated Financial Services Act**”) and Article 34-*ter* of the Issuers Regulation.

Moreover, and subject to the foregoing, any offer, sale or delivery of the Notes or distribution of copies of this Base Prospectus or any other document relating to the offering of the Notes in Italy under (a) or (b) above must be:

- (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Consolidated Financial Services Act, Legislative Decree No. 385 of 1 September 1993, as amended from time to time (the “**Banking Act**”), the Issuers Regulation and CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time;
- (ii) in compliance with Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the offering or issue of securities in Italy; and
- (iii) in compliance with all Italian securities, tax, exchange control and any other applicable laws and regulations or requirement which may be imposed from time to time by the Bank of Italy, CONSOB or other Italian authority.

Any investor purchasing the Notes in this offering is exclusively responsible for ensuring that any offer or resale of the Notes it purchased in this offering occurs in compliance with applicable laws and regulations.

Article 100-*bis* of the Consolidated Financial Services Act affects the transferability of the Notes in Italy to the extent that any placement of the Notes is made solely with qualified investors and such Notes are then systematically resold to non-qualified investors on the secondary market at any time in the 12 months following such placement. Should this occur without the publication of a prospectus and outside of the scope of one of the exemptions referred to above, retail purchasers of Notes may have such purchase declared void and claim damages from any intermediary which sold them the Notes.

This Base Prospectus, any other document relating to the Notes, and the information contained herein are intended only for the use of its recipient and, unless in circumstances which are exempted from the rules governing offers of securities to the public pursuant to Article 100 of the Consolidated Financial Services Act and Article 34-*ter* of the Issuers Regulation, are not to be distributed to any third-party resident or located in Italy for any reason. No person resident or located in Italy other than the original recipients of this document may rely on it or its contents

### **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 and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) 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 and regulations of Japan.

### **Hong Kong**

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

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

### **People’s Republic of China**

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

### **Singapore**

Each Dealer has acknowledged that this Debt Issuance Programme Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent 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 Debt Issuance Programme 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 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;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

### **Russia**

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that the Notes will not be offered, transferred or sold as part of their initial distribution or at any time thereafter to or for the benefit of any persons (including legal entities) resident, incorporated, established or having their usual residence in the Russian Federation or to any person located within the territory of the Russian Federation unless and to the extent otherwise permitted under Russian law.

### **General**

These selling restrictions may be modified or supplemented by the agreement of L'Air Liquide, Air Liquide Finance and the Dealers following a change in a relevant law, regulation or directive. Any such modification or supplement will be set out in a supplement to this Debt Issuance Programme Prospectus.

No action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of the Debt Issuance Programme 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, and each further Dealer appointed under the Programme will be required to represent and agree, that it will, 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 Debt Issuance Programme Prospectus, any other offering material or any Final Terms and obtain any consent, approval or permission required for the purchase, offer or sale of Notes under the laws and regulations in force in any jurisdiction in which it makes such purchase, offer or sale and none of L'Air Liquide, Air Liquide Finance or any other Dealer shall have responsibility therefore.

**FORM OF FINAL TERMS – L’AIR LIQUIDE / AIR LIQUIDE FINANCE**

**FORM OF FINAL TERMS FOR USE IN CONNECTION WITH ISSUES OF SECURITIES WITH A DENOMINATION OF AT LEAST €100,000 TO BE ADMITTED TO TRADING ON A REGULATED MARKET**

**Final Terms dated [•]**

[LOGO, if document is printed]

—————  
**L’Air Liquide  
Air Liquide Finance**

Euro 12,000,000,000  
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]**

**by: [L’Air Liquide/ Air Liquide Finance (the “Issuer”)]**

**[unconditionally and irrevocably guaranteed by: L’Air Liquide (the “Guarantor”)]**

## PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Notes (the “**Conditions**”) set forth in the Debt Issuance Programme Prospectus dated 3 June 2016 [and the supplement[s] to the Debt Issuance Programme Prospectus dated [●] which [together] constitute[s] a Debt Issuance Programme Prospectus for the purposes of Directive 2003/71/EC, as amended (the “**Prospectus Directive**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Debt Issuance Programme Prospectus [as so supplemented]. Full information on the Issuer[, the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Debt Issuance Programme Prospectus. The Debt Issuance Programme Prospectus [and the supplement[s] to the Debt Issuance Programme Prospectus] [is] [are] available for viewing at the office of the Fiscal Agent or the Paying Agent and on the websites of (a) the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and (b) the Issuer ([www.airliquide.com](http://www.airliquide.com)) and copies may be obtained from [L’Air Liquide, 75, quai d’Orsay, 75007 Paris, France] [Air Liquide Finance, 6, rue Cognacq-Jay, 75007 Paris, France]. The Final Terms are available for viewing at the office of the Fiscal Agent or the Paying Agent and copies may be obtained from L’Air Liquide, 75, quai d’Orsay, 75007 Paris, France and Air Liquide Finance, 6, rue Cognacq-Jay, 75007 Paris, France.]

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

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Notes (the “**Conditions**”) which are the [2014] [2015] EMTN Conditions], which are incorporated by reference in the Base Prospectus dated 3 June 2016]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Directive 2003/71/EC, as amended (the “**Prospectus Directive**”) and must be read in conjunction with the Base Prospectus dated 3 June 2016 [and the supplement[s] to the Base Prospectus dated [●], which [together] constitute[s] a base prospectus for the purposes of Article 5.4 of the Prospectus Directive, save in respect of the Conditions, which are the [2014] [2015] EMTN Conditions]. Full information on the Issuer[, the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms, the [2014] [2015] EMTN Conditions and the Base Prospectus dated 3 June 2016 [and the supplement[s] to the Base Prospectus dated [●]]. The Base Prospectus [and the supplement[s] to the Base Prospectus] are available for viewing at the office of the Fiscal Agent or the Paying Agent and on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)), or otherwise in accordance with the provisions of Article 14 of the Prospectus Directive, and copies may be obtained from L’Air Liquide, 75, quai d’Orsay, 75007 Paris, France and Air Liquide Finance, 6, rue Cognacq-Jay, 75007 Paris, France.

*[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 directions 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 ( <i>assimilées</i> ) and form a single series with the existing |



[insert Series Number of the relevant Series] issued by the Issuer on [insert date] (the “Existing Notes”) [as from the date of assimilation which is expected to be on or about 40 calendar days after the Issue Date (the “Assimilation Date”) of this Tranche]/[as from the Issue Date of this Tranche].]

- 2 Specified Currency or Currencies: [●]
- 3 Aggregate Nominal Amount:
- (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: [●]
- 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. [per annum] Floating Rate]  
[Zero Coupon]  
[[●] per cent. Fixed Rate] – [specify particular reference Floating Rate]
- 9 Change of Interest Basis: [Applicable/Not Applicable]  
(Specify the date when any fixed to floating rate (or any floating to fixed rate) change occurs or refer to paragraphs 12 and 13 below and identify there)
- 10 Put/Call Options: [Not Applicable]  
[Investor Put]  
[Make-Whole Redemption by the Issuer]  
[Change of Control Put Option]  
[Issuer Call]  
[Residual Maturity Call Option]  
[Clean-Up Call Option]  
[(further particulars specified below)]

- 11 (i) Status of the Guarantee: [Not Applicable/Unsubordinated]
- (ii) Dates of the corporate authorisations for issuance of the Notes: [decision of the Board of Directors of L’Air Liquide dated [●] [and of [●] [function] dated [●]]<sup>1</sup>/[decision of the *Conseil d’administration* of Air Liquide Finance dated [●] [and [●] [function] dated [●]]<sup>3</sup>/[decision of [●] [function] dated [●]]<sup>2</sup>

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

- 12 Fixed Rate Note Provisions [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate [(s)] of Interest: [●] per cent. per annum payable [annually/semi-annually/quarterly/ monthly] in arrear on each Interest Payment Date
- (ii) Interest Payment Date(s): [●] in each year [adjusted in accordance with [the Business Day Convention specified below<sup>3</sup>] (*specify Business Day Convention and any applicable Business Centre(s) for the definition of “Business Day”*)/not adjusted.]
- (iii) Fixed Coupon Amount [(s)]: [●] per [●] in nominal amount
- (iv) Broken Amounts: [Not Applicable/[●] payable on the Interest Payment Date falling [in/on] [●]] [*Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount [(s)] and the Interest Payment Date(s) to which they relate*]
- (v) Day Count Fraction (Condition 6(a)): [30/360 / Actual/Actual - ICMA / Actual/Actual – ISDA / Actual/365 (Fixed) / Actual/360 / 30E/360 ]
- [Day Count Fraction should be Actual/Actual-ICMA for all fixed rate issues other than those denominated in USD]*
- (vi) Determination Date(s) (Condition 6(a)): [Not Applicable]/[[●] 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*]]
- (vii) [Business Day Convention<sup>4</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>5</sup>]: [●] / [Not Applicable]]

<sup>1</sup> Relevant for issues of Notes constituting *obligations* under French law.

<sup>2</sup> Only relevant for issues of Notes not constituting *obligations* under French law.

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

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

|    |   |  |
|----|---|--|
| 13 | <p>(xi) [Relevant Time<sup>6</sup>:<br/>Floating Rate Provisions</p> <p>(i) Interest Period(s):</p> <p>(ii) Specified Interest Payment Dates:</p> <p>(iii) Business Day Convention:</p> <p>(iv) Business Centre(s):</p> <p>(v) Manner in which the Rate(s) of Interest is/are to be determined:</p> <p>(vi) Party responsible for calculating the Rates(s) of Interest and Interest Amount(s) (if not the Calculation Agent):</p> <p>(vii) Screen Rate Determination:</p> <ul style="list-style-type: none"> <li>- Reference Rate:</li> <li>- Reference Inter-Bank Market:</li> <li>- Reference Screen Page Time:</li> <li>- Interest Determination Date:</li> <li>- Relevant Screen Page:</li> <li>- Reference Banks:</li> </ul> <p>(viii) ISDA Determination:</p> <ul style="list-style-type: none"> <li>- Floating Rate Option:</li> <li>- Designated Maturity:</li> <li>- Reset Date:</li> </ul> <p>(ix) Margin(s):</p> <p>(x) Minimum Rate of Interest:</p> <p>(xi) Maximum Rate of Interest:</p> <p>(xii) Rate Multiplier:</p> <p>(xiii) Day Count Fraction (Condition 6(a)):</p> | <p>[11.00 a.m./[●]] ([Hong Kong/Taipei/[●]] time)</p> <p>[Applicable/Not Applicable] (<i>If not applicable, delete the remaining sub-paragraphs of this paragraph.</i>)</p> <p>[●]</p> <p>[[●] in each year , subject to adjustment in accordance with the Business Day Convention set out in (iii) below]</p> <p>[Floating Rate Business Day Convention /Following Business Day Convention /Modified Following Business Day Convention/Preceding Business Day Convention/other ]</p> <p>[●]</p> <p>[Screen Rate Determination/ISDA Determination]</p> <p>[Not Applicable/[●]]</p> <p>[Applicable/Not Applicable]</p> <p>[●]</p> <p>[●]</p> <p>[●]</p> <p>[●]</p> <p>[●]</p> <p>[●]</p> <p>[●]</p> <p>[Applicable/Not Applicable]</p> <p>[●]</p> <p>[●]</p> <p>[●]</p> <p>[+/-] [●] per cent. per annum</p> <p>[Not Applicable]/[●] per cent. per annum]</p> <p>[Not Applicable]/ [●] per cent. per annum]</p> <p>[●]</p> <p>[30/360 / Actual/Actual - ICMA / Actual/Actual – ISDA / Actual/365 (Fixed) / Actual/360 / 30E/360 ]</p> |
|----|---|--|

<sup>5</sup> [RMB Notes only]

<sup>6</sup> [RMB Notes only]

|    |   |  |
|----|---|--|
| 14 | Zero Coupon Note Provisions:              | [Applicable/Not Applicable]<br><i>(If not applicable, delete the remaining sub paragraphs of this paragraph)</i> |
|    | (i) [Amortisation/Accrual] Yield:         | [●] per cent. per annum  |
|    | (ii) Day Count Fraction (Condition 6(a)): | [30/360 / Actual/Actual - ICMA / Actual/Actual – ISDA / Actual/365 (Fixed) / Actual/360 / 30E/360 ]              |

**PROVISIONS RELATING TO REDEMPTION**

|    |  |  |
|----|--|--|
| 15 | Call Option  | [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 nominal amount to be redeemed:   | [Not Applicable/[●]]   |
|    | (b) Maximum nominal amount to be redeemed:   | [Not Applicable/[●]]   |
|    | (iv) Notice period:  | [Not Applicable/[●]]   |
| 16 | Make-Whole Redemption by the Issuer (Condition 7(b))   | [Applicable/Not Applicable]  |
|    | (i) Notice period:   | [Not Applicable/ [●]]  |
|    | (ii) Reference Security:   | [●]  |
|    | (iii) Reference Dealers:   | [●]  |
|    | [(iv) Similar Security:  | [Not Applicable/ [●]]  |
|    | (v) Party, if any, responsible for calculating the principal and/or interest due (if not the Calculation Agent): | [Not Applicable/ [●]]  |
|    | (vi) Redemption Margin:  | [●]  |
| 17 | Residual Maturity Call Option (Condition 7(d))   | [Applicable/Not Applicable]<br><i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i> |
|    | (i) Call Option Date:  | [●]  |
|    | (ii) Notice period:  | [As per the Conditions]/ [●]   |
| 18 | Put Option   | [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) Notice period:  | [Not Applicable/ [●]]                      |
| 19 | Change of Control Put Option:   | [Applicable/Not Applicable]                |
| 20 | Clean-Up Call Option (Condition 7(i))   | [Applicable/Not Applicable]                |
|    | Clean-Up Redemption Amount:   | [●]  |
| 21 | Final Redemption Amount of each Note  | Redemption at par                          |
| 22 | Early Redemption Amount   |  |
|    | (i) Early Redemption Amount(s) of each Note payable on redemption for taxation reasons (Condition 7(h)), for illegality (Condition 7(k)) or an event of default (Condition 10): | [Not Applicable/ [●]]                      |
|    | (ii) Redemption for taxation reasons permitted on days others than Interest Payment Dates (Condition 7(h)):   | [Yes/No]                                   |
|    | (iii) Unmatured Coupons to become void upon early redemption (Materialised Bearer Notes only) (Condition 8(f)):   | [Yes/No/Not Applicable]                    |

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

|    |   |  |
|----|---|--|
| 23 | Form of Notes:  | [Dematerialised Notes/ Materialised Notes]<br><i>(Materialised Notes are only in bearer form)</i><br>[Delete as appropriate]   |
|    | (i) Form of Dematerialised Notes:   | [Not Applicable/Bearer dematerialised form<br><i>(au porteur)</i> only / Registered dematerialised form <i>(au nominatif)</i> ]  |
|    | (ii) Registration Agent:  | [Not Applicable/if Applicable give name and details]<br><i>(Note that a Registration Agent must be appointed in relation to Registered Dematerialised Notes only)</i>  |
|    | (iii) Temporary Global Certificate:   | [Not Applicable/if Applicable: Temporary Global Certificate exchangeable for Definitive Materialised Bearer Notes on [●] (the “Exchange Date”), being 40 calendar days after the Issue Date subject to postponement as provided in the Temporary Global Certificate] |
|    | (iv) Applicable TEFRA exemption:  | [C Rules/D Rules/Not Applicable]<br><i>(Only applicable to Materialised Notes)</i>   |
| 24 | [Exclusion of the possibility to request identification of the Noteholders as provided by Condition 1(a)(i):] | [Applicable] <i>(If the possibility to request identification of the Noteholders as provided by Condition 1(a)(i) is contemplated, delete this paragraph)</i>  |

- 25 Financial Centre(s): [Not Applicable/Give details. (Note that this item relates to the date of payment, and not the end dates of interest periods for the purposes of calculating the amount of interest, to which the item 13(iv) relates)]
- 26 Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No/Not Applicable.] (Only applicable to Materialised Notes)
- 27 Redenomination: [Not Applicable/The provisions [in Condition 1(d)] apply]
- 28 Possibility of resale of purchased Notes in accordance with Article L.213-1 A and D.213-1 A of the French *Code monétaire et financier*: [Yes/No]
- 29 *Masse* (Condition 12): [Full Masse]/[Contractual Masse] shall apply  
*(Note that: (i) in respect of any Tranche of Notes issued outside France, Condition 12(b) (Contractual Masse) may be elected by the Issuer, and (ii) in respect of any Tranche of Notes issued inside France, Condition 12(a) (Full Masse) shall apply.*  
  
*[If Condition 12(a) (Full Masse) or (b) (Contractual Masse) applies, insert below details of Representative and alternate Representative and remuneration, if any:*  
 [Name and address of the Representative: [●]]  
 Name and address of the alternate Representative: [●]]  
 [The Representative will receive no remuneration/The Representative will receive a remuneration of [●]].

**[ADMISSION TO TRADING APPLICATION**

These Final Terms comprise the final terms required to be admitted to trading the issue of Notes described herein pursuant to the Euro 12,000,000,000 Euro Medium Term Note Programme of L’Air Liquide and Air Liquide Finance.]

**[THIRD PARTY INFORMATION**

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

Signed on behalf of the Issuer:

By: \_\_\_\_\_

Duly authorised

[Signed on behalf of the Guarantor:

By: \_\_\_\_\_

Duly authorised]

\_\_\_\_\_

## PART B – OTHER INFORMATION

### 1 LISTING AND ADMISSION TO TRADING

- (i) Admission to trading: [Application has been made for the Notes to be admitted to trading on [the Regulated Market of the Luxembourg Stock Exchange/*specify relevant regulated market*] with effect from [●].] [Not Applicable.]
- (ii) Estimate of total expenses related to admission to trading: [●]
- (iii) Regulated markets or equivalent markets on which, to the knowledge of the issuer, securities of the same class of the securities to be offered or admitted to trading are already admitted to trading: [●]

### 2 RATINGS

Ratings: The Notes to be issued have been rated:  
[Standard & Poor’s Ratings Services (“**S&P**”): [●]]  
[Moody’s Investors Service (“**Moody’s**”): [●]]  
[[Other]: [●]]

[[Each of [●], [●] and] [●] is established in the European Union and has applied for registration under Regulation (EC) No 1060/2009, as amended, although the result of such applications has not been determined.]

[[Each of [S&P] and] [Moody’s] is established in the European Union, is registered under Regulation (EC) No 1060/2009 as amended (the “**CRA Regulation**”) and is included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority’s website ([www.esma.europa.eu/page/List-registered-and-certified-CRAs](http://www.esma.europa.eu/page/List-registered-and-certified-CRAs)).]

[[Each of [●],[●] and] [●] is [not] established in the European Union [nor has/and has not] applied for registration under Regulation (EC) No 1060/2009 as amended (the “**CRA Regulation**”), but is endorsed by [insert credit rating agency's name] which is established in the European Union, registered under the CRA Regulation and is included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority’s website ([www.esma.europa.eu/page/List-registered-and-certified-CRAs](http://www.esma.europa.eu/page/List-registered-and-certified-CRAs)).]

[[None of [●] and] [●] is [not] established in the European Union [nor has/and has not] applied for registration under Regulation (EC) No 1060/2009 as amended.]

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

### 3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

[Not Applicable/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:

"So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."/[•]]

### 4 *Fixed Rate Notes only* – YIELD

Indication of yield: [Not Applicable/[•]]

### 5 OPERATIONAL INFORMATION

ISIN: [•]

Common Code: [•]

Depositaries:

(i) Euroclear France to act as Central Depositary:

[Yes/No]

(ii) Common Depositary 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), number(s) and address(es)]

Delivery:

Delivery [against/free of] payment

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

[•]

### 6 GENERAL

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

[Not Applicable/Euro[•]]

*(Only applicable for Notes not denominated in Euro)*

Reason for the offer (*particular identified use of proceeds*):

[•]

### 7 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 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]

## GENERAL INFORMATION

- 1 Application has been made to list the Notes on the official list and to trade on the Regulated Market of the Luxembourg Stock Exchange and/or on any other Regulated Market in a Member State of the EEA, as the case may be.

In compliance with Article 18 of the Prospectus Directive, application may also be made for the notification of certificate of approval to any competent authority of any Member State of the EEA.

- 2 Each of L'Air Liquide and Air Liquide Finance has obtained all necessary corporate and other consents, approvals and authorisations in the Republic of France in connection with the establishment and update of the Programme. Any drawdown of Notes under the Programme, to the extent that such Notes constitute *obligations*, requires the prior authorisation of (i) the *Conseil d'administration* of L'Air Liquide or the *Conseil d'administration* of Air Liquide Finance or (ii) the Ordinary General Meeting of the relevant Issuer's shareholders if (a) the *statuts* of the relevant Issuer so require (at the date hereof the *statuts* of L'Air Liquide require a resolution of the Ordinary General Meeting, but the *statuts* of Air Liquide Finance, as modified by its shareholders on 22 May 2006, do not) or (b) the shareholders at an Ordinary General Meeting decide to authorise an issue of *Obligations*, all pursuant to Article L.228-40 of the French *Code de commerce*. Any drawdown of Notes, to the extent that such Notes do not constitute *obligations*, falls within the general powers of the *Président - Directeur Général* of L'Air Liquide and of the *Président - Directeur Général* of Air Liquide Finance.
  - (a) Any issue of Notes constituting *obligations* by L'Air Liquide must be authorised by a resolution of its shareholders; pursuant to this authorisation, the shareholders of L'Air Liquide may delegate their powers to the *Conseil d'administration* of the Issuer, which may in turn sub delegate its powers to the *Président Directeur Général* or any *Directeur Général Délégué*. For this purpose the shareholders of L'Air Liquide have on 12 May 2016 authorised the *Conseil d'administration* to issue *obligations* up to a maximum aggregate amount outstanding of €20 billion (such authority to expire on 12 May 2021). To the extent that the Notes do not constitute *obligations*, their issue will fall within the general authority of the *Président Directeur Général* of the Issuer or any authorised officer of the Issuer acting by delegation.
  - (b) On 12 May 2016, the *Conseil d'Administration* of L'Air Liquide has given its consent to issue *obligations* up to a maximum aggregate amount outstanding of €16 billion (whether under the Programme or outside the scope of the Programme) and, delegated to its *Président Directeur Général*, Benoît Potier or to its *Directeur Général Délégué*, Pierre Dufour, all power to issue *obligations* up to a maximum aggregate amount outstanding of €16 billion (whether under the Programme or outside the scope of the Programme) and to determine their terms and conditions (such authority to expire on 12 May 2017).
  - (c) Pursuant to Article L. 225-35 of the French *Code de commerce*, any guarantee given by L'Air Liquide must be authorised by a resolution of its *Conseil d'administration*. The Guarantee dated 3 June 2016 has been authorised by a resolution of the *Conseil d'administration* of L'Air Liquide on 12 May 2016 which authorised the *Président Directeur Général*, Benoît Potier (with the power to sub-delegate) for and on behalf of L'Air Liquide to issue all forms of guarantee for the term of Notes issued by Air Liquide Finance up to a maximum principal amount of €12 billion.
  - (d) Any issue of Notes constituting *obligations* by Air Liquide Finance must be authorised by a resolution of its *Conseil d'administration*. On 13 May 2016, the *Conseil d'administration* of Air Liquide Finance has given its consent to issue *obligations* up to a maximum aggregate amount outstanding of €16

billion (whether under the Programme or outside the scope of the Programme) and, pursuant to Article L. 228-40 *alinéa 2* of the French *Code de commerce*, the *Conseil d'administration* of Air Liquide Finance delegated to its *Président Directeur Général* Fabienne Lecorvaisier and to its *Administrateur* Jacques Molgo, acting together or separately, all powers to issue *obligations* up to a maximum aggregate amount outstanding of €16 billion (whether under the Programme or outside the scope of the Programme) and to determine their terms and conditions. To the extent that the Notes do not constitute *obligations*, their issue will fall within the general authority of the *Président Directeur Général* of the Issuer or any authorised officer of the Issuer acting by delegation.

- 3 Except as disclosed in the section entitled “Recent Developments of L’Air Liquide since 1 January 2016” of this Debt Issuance Programme Prospectus, there has been no significant change in the financial or trading position of the Air Liquide Group since 31 December 2015 and no material adverse change in the prospects of L’Air Liquide or Air Liquide Finance or of the Air Liquide Group since 31 December 2015.
- 4 Except as disclosed in this Debt Issuance Programme Prospectus on page 29, neither L’Air Liquide nor Air Liquide Finance is or has been involved in any governmental, legal or arbitration proceedings (including any such proceeding which are pending or threatened of which L’Air Liquide or Air Liquide Finance is aware), during a period covering the previous 12 months which may have, or have had in the recent past, significant effects on the financial position or profitability of either L’Air Liquide or Air Liquide Finance or the Air Liquide Group.
- 5 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) or 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.

- 6 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 66, rue de la Victoire, 75009 Paris, France.

- 7 For so long as Notes may be issued pursuant to this Debt Issuance Programme Prospectus, the following documents will be available, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), for inspection at the office of the Fiscal Agent, on the website of the Issuers ([www.airliquide.com](http://www.airliquide.com)), or otherwise, using any kinds of communication means, permitted by law, at the choice of the relevant Issuer:
  - (i) the *statuts* of the Issuers;
  - (ii) the published annual report of each of the Issuers, the audited non-consolidated and consolidated annual financial statements of the Guarantor for each of the two financial years ended 31 December 2015 and 31 December 2014 and the audited non-consolidated annual financial statements of Air Liquide Finance for each of the two years ended 31 December 2015 and 31 December 2014;
  - (iii) each Final Terms for Notes that are admitted to trading on the Luxembourg Stock Exchange or any other Regulated Market in the EEA;

- (iv) all reports, letters and other documents, historical financial information, valuations and statements prepared by any expert at the relevant Issuer's request any part of which is included or referred to in this Debt Issuance Programme Prospectus.
- 8** Air Liquide Finance does not publish interim financial statements.
- 9** For so long as Notes may be issued pursuant to this Debt Issuance Programme Prospectus, the following documents will be available, on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)):
- (i) this Debt Issuance Programme Prospectus;
  - (ii) the Final Terms for Notes that are listed and admitted to trading on the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)); and
  - (iii) the documents incorporated by reference in this Debt Issuance Programme Prospectus.
- 10** For so long as Notes may be issued by Air Liquide Finance pursuant to this Debt Issuance Programme Prospectus, the Guarantee will be available, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), for inspection at the office of L'Air Liquide (75 quai d'Orsay - 75007 Paris, France).
- 11** Copies of the latest published annual report and non-consolidated and consolidated annual financial statements of L'Air Liquide (including any published consolidated semi-annual financial statements) (both in the English and French languages) and copies of the latest non-consolidated annual financial statements of Air Liquide Finance (in the French language only) may be obtained upon request, free of charge, and copies of the Amended and Restated Agency Agreement will be available for inspection, at the specified office(s) of the Paying Agent(s) during normal business hours, so long as any of the Notes is outstanding.
- 12** The combined general meeting of shareholders (*Assemblée générale mixte*) of L'Air Liquide held on 12 May 2016 has renewed Ernst & Young et Autres, and appointed PricewaterhouseCoopers Audit, in replacement of Mazars, as statutory auditors. PricewaterhouseCoopers Audit at 63, rue de Villiers 92208 Neuilly-sur-Seine Cedex, France is an entity regulated by the *Haut Conseil du Commissariat aux Comptes*, duly authorised as *Commissaires aux comptes* and belongs to the *Compagnie Régionale des Commissaires aux Comptes de Versailles*. Ernst & Young et Autres (1/2, place des Saisons, 92400 Courbevoie – Paris – La Défense 1) and Mazars (61, rue Henri-Regnault, 92400 Courbevoie) have audited, and rendered unqualified audit reports on the non-consolidated and consolidated annual financial statements of L'Air Liquide for each of the two years ended 31 December 2015 and 31 December 2014. Ernst & Young et Autres have audited, and rendered an unqualified audit report on, the non-consolidated annual financial statements of Air Liquide Finance for each of the two years ended 31 December 2015 and 31 December 2014. Ernst & Young et Autres and Mazars are regulated by the *Haut Conseil du Commissariat aux Comptes*, duly authorised as *Commissaires aux comptes* and belong to the *Compagnie Nationale des Commissaires aux Comptes* of Versailles.
- 13** L'Air Liquide's statutory auditors audit the non-consolidated and consolidated annual financial statements and review the semi-annual financial statements but they do not audit or review the quarterly accounts. L'Air Liquide's First Quarter 2016 Revenue Report, which are incorporated by reference in this Debt Issuance Programme Prospectus, were not audited or reviewed by its statutory auditors.
- 14** In relation to any Tranche of Fixed Rate Notes, the yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date (as defined in the Final Terms) of the Notes and will not be an indication of future yield.

**PERSONS RESPONSIBLE FOR THE INFORMATION GIVEN IN  
THE DEBT ISSUANCE PROGRAMME PROSPECTUS**

To the best knowledge of L’Air Liquide and Air Liquide Finance (having taken all reasonable care to ensure that such is the case), and each as far as they are concerned, the information contained or incorporated by reference in this Debt Issuance Programme Prospectus, is in accordance with the facts and contains no omission likely to affect its import and the relevant Issuer and the Guarantor, as the case may be, accept responsibility for the information contained in this Debt Issuance Programme Prospectus accordingly. The relevant Issuer and the Guarantor, as the case may be, will also accept responsibility for the information contained in the Final Terms in respect of any issue of Notes.

**L’Air Liquide**  
75, quai d’Orsay  
75007 Paris  
France

**Air Liquide Finance**  
6, rue Cognacq-Jay  
75007 Paris  
France

Duly represented by:

Duly represented by:

Benoît Potier  
President and Chief Executive Officer

Fabienne Lecorvaisier  
President and Chief Executive Officer

**Issuer and Guarantor****L’AIR LIQUIDE**

75, quai d’Orsay  
75007 Paris  
France

**Issuer****AIR LIQUIDE FINANCE**

6, rue Cognacq-Jay  
75007 Paris  
France

**Arranger****BNP PARIBAS**

10 Harewood Avenue  
London NW1 6AA  
United Kingdom

**Permanent Dealers****Banca IMI S.p.A.**

Largo Mattioli 3  
20121 Milan  
Italy

**Barclays Bank PLC**

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

**BNP PARIBAS**

10 Harewood Avenue  
London NW1 6AA  
United Kingdom

**Citigroup Global Markets Limited**

Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

**Commerzbank Aktiengesellschaft**

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

**Crédit Agricole Corporate and Investment Bank**

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

**Crédit Industriel et Commercial S.A.**

6, avenue de Provence  
75452 Paris cedex 09  
France

**HSBC France**

103, avenue des Champs-Élysées  
75008 Paris  
France

**Industrial and Commercial Bank of China (Europe) S.A., acting through its Paris branch**

73, boulevard Haussmann  
75008 Paris  
France

**J.P. Morgan Securities plc**

25 Bank Street  
Canary Wharf  
London E14 5JP  
United Kingdom

**Mitsubishi UFJ Securities International plc**

Ropemaker Place  
25 Ropemaker Street  
London EC2Y 9AJ  
United Kingdom

**Mizuho International plc**

Bracken House  
One Friday Street  
London EC4M 9JA  
United Kingdom

**Natixis**  
30, avenue Pierre Mendès France  
75013 Paris  
France

**SMBC Nikko Capital Markets Limited**  
One New Change  
London EC4M 9AF  
United Kingdom

**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

**Luxembourg Listing Agent**

**BNP Paribas Securities Services, Luxembourg Branch**  
33, rue de Gasperich, Howald – Hesperange  
L-2085 Luxembourg  
Grand-Duchy of Luxembourg

**Statutory Auditors to L’AIR LIQUIDE**

**Before 1 January 2016**

**Ernst & Young et Autres**  
1/2, place des Saisons  
92400 Courbevoie – Paris – La Défense 1  
France

**Mazars**  
61, rue Henri Regnault  
92075 Paris La Défense cedex  
France

**From 1 January 2016**

**Ernst & Young et Autres**  
1/2, place des Saisons  
92400 Courbevoie – Paris – La Défense 1  
France

**PricewaterhouseCoopers Audit**  
63, rue de Villiers  
92208 Neuilly-sur-Seine Cedex  
France

**Statutory Auditors to AIR LIQUIDE FINANCE**

**Ernst & Young et Autres**  
1/2, place des Saisons  
92400 Courbevoie – Paris – La Défense 1

**Legal Advisers**

**To the Issuers**

*As to French law*

**Latham & Watkins**  
45, Rue Saint-Dominique  
75007 Paris  
France

**To the Dealers**

*As to French law*

**Linklaters LLP**  
25, rue de Marignan  
75008 Paris  
France