

# DEBT ISSUANCE PROGRAMME PROSPECTUS

dated 19 June 2012



**L'AIR LIQUIDE S.A.  
AIR LIQUIDE FINANCE**

**€ 6,000,000,000**

## **Euro Medium Term Note Programme unconditionally and irrevocably guaranteed by L'AIR LIQUIDE S.A.**

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**" (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 € 6,000,000,000 (or the equivalent in other currencies) and may be denominated in any currency.

This Debt Issuance Programme Prospectus supersedes and replaces the Debt Issuance Programme Prospectus dated 24 June 2011.

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

Application has been made to the Commission de surveillance du secteur financier ("**CSSF**") in Luxembourg for approval of this Debt Issuance Programme Prospectus in its capacity as competent authority under the "loi relative aux prospectus pour valeurs mobilières" dated 10 July 2005 which implements 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 (the "**Prospectus Directive**"). References in this Debt Issuance Programme Prospectus to the "**Prospectus Directive**" shall include the amendments made by Directive 2010/73/EU (the "**2010 PD Amending Directive**") to the extent that such amendments have been implemented in the relevant Member State of the European Economic Area. The CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Debt Issuance Programme Prospectus or the quality or solvency of the Issuer in accordance with Article 7(7) of the Prospectus Act 2005.

Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme during the period of 12 months from the date of this Debt Issuance Programme Prospectus 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 to be offered to the public in Luxembourg. Application may also be made to the competent authority in France or to any other competent authority of any other Member State of the European Economic Area for Notes issued under the Programme to be listed and admitted to trading on Euronext Paris or on any other Regulated Market or offered to the public in France or in such Member State. Any Regulated Market is governed by the Directive 2004/39/EC on markets in financial instruments (referred to in this Debt Issuance Programme Prospectus as a "**Regulated Market**" under the definition of the Directive 2004/39/EC on markets in financial instruments).

Notes which are not admitted to trading on a Regulated Market, or which are not offered to the public in a Member State of the European Economic Area, may be issued under the Programme and may also be listed on an alternative stock exchange or may not be listed at all.

The relevant final terms (the "**Final Terms**") (forms of which are contained herein) in respect of the issue of any Notes will specify whether or not such Notes will be listed, admitted to trading and/or offered to the public 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.

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 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.

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 ratings assigned to the Programme. The credit ratings included or referred to in this Debt Issuance Programme Prospectus will be treated for the purposes of the Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit ratings agencies (as amended) (the "**CRA Regulation**") as having been issued by Standard & Poor's Ratings Services which is established in the European Union and which is registered as a credit rating agency in accordance with the CRA Regulation, as it appears from the list published on the European Securities and Markets Authority's website (<http://www.esma.europa.eu>). 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.

### Arranger

**BNP PARIBAS**

### Dealers

**BARCLAYS**

**BNP PARIBAS**

**CITIGROUP**

**CRÉDIT AGRICOLE CIB**

**HSBC**

**J.P. MORGAN**

**MITSUBISHI UFJ SECURITIES INTERNATIONAL PLC**

**NATIXIS**

**SMBC NIKKO**

**SOCIÉTÉ GÉNÉRALE CORPORATE & INVESTMENT BANKING**

**THE ROYAL BANK OF SCOTLAND**

*This document 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 (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**” (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 has been authorised to give any information or to make any representation other than those contained 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 “Summary 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 the Air Liquide Group (i.e. L’Air Liquide and its subsidiaries) 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.*

*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, France and Germany.*

*The Notes have not been and will not be registered under the United States Securities Act of 1933 (the “**Securities Act**”), and include Materialised Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to 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**”)). 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 contained 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 accuracy or completeness of any of the information 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 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 “Summary 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 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 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in accordance with applicable laws and regulations.**

*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, and references to “RMB”, “CNY” or “Renminbi” are to the Chinese Yuan Renminbi, the lawful currency of the People’s Republic of China, which, for the purpose of this document, excludes the Hong Kong Special Administrative Region of the People’s Republic of China, the Macau Special Administrative Region of the People’s Republic of China and Taiwan (the “PRC”).*

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## SUMMARY OF THE PROGRAMME

The following paragraph is to be read as an introduction to the summary if the relevant Member State has not implemented the changes to the summary requirements under the Directive 2010/73/EU (the “**2010 PD Amending Directive**”).

*This summary is provided for purposes of the issue of Notes with a denomination of less than Euro 50,000. Investors in Notes with a denomination of at least Euro 50,000 should not rely on this summary in any way, and L’Air Liquide accepts no liability to such investors. This summary must be read as an introduction to this Debt Issuance Programme Prospectus and any decision to invest in the Notes should be based on a consideration of the Debt Issuance Programme Prospectus as a whole, including the documents incorporated by reference, by any investor. Following the implementation of the relevant provisions of the Prospectus Directive (but not including any amendment thereto pursuant to the 2010 PD Amending Directive) in each Member State of the European Economic Area (an “**EEA State**”), no civil liability will attach to L’Air Liquide solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Debt Issuance Programme Prospectus. Where a claim relating to the information contained in this Debt Issuance Programme Prospectus is brought before a court in an EEA State, the plaintiff may, under the national legislation of the EEA State where the claim is brought, be required to bear the costs of translating the Debt Issuance Programme Prospectus before the legal proceedings are initiated.*

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

*This summary is provided for purposes of the issue of Notes with a denomination of less than Euro 100,000. Investors in Notes with a denomination of at least Euro 100,000 should not rely on this summary in any way, and L’Air Liquide accepts no liability to such investors. This summary must be read as an introduction to this Debt Issuance Programme Prospectus and any decision to invest in the Notes should be based on a consideration of the Debt Issuance Programme Prospectus as a whole, including the documents incorporated by reference. Following the implementation of the relevant provisions of the Prospectus Directive (Directive 2003/71/EC, as amended by Directive 2010/73/EU) in each Member State of the European Economic Area (an “**EEA State**”), no civil liability will attach to L’Air Liquide in any such Member State solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Debt Issuance Programme Prospectus or it does not provide, when read together with the other parts of this Debt Issuance Programme Prospectus, key information in order to aid investors when considering whether to invest in the Notes. Where a claim relating to the information contained in this Debt Issuance Programme Prospectus is brought before a court in an EEA State, the plaintiff may, under the national legislation of the EEA State where the claim is brought, be required to bear the costs of translating this Debt Issuance Programme Prospectus before the legal proceedings are initiated.*

### KEY INFORMATION ABOUT NOTES TO BE ISSUED UNDER THE PROGRAMME

#### I. Notes to be issued under the Programme

<b>Issuers:</b>	L’Air Liquide, société anonyme pour l’Étude et l’Exploitation des Procédés Georges Claude Air Liquide Finance
<b>Guarantor:</b>	L’Air Liquide in respect of Notes issued by Air Liquide Finance.
<b>Arranger:</b>	BNP PARIBAS

<b>Dealers:</b>	Barclays Bank PLC BNP PARIBAS Citigroup Global Markets Limited Crédit Agricole Corporate and Investment Bank HSBC France J.P. Morgan Securities Ltd. Mitsubishi UFJ Securities International plc Natixis SMBC Nikko Capital Markets Limited Société Générale The Royal Bank of Scotland plc
<b>Programme Limit:</b>	Up to € 6,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.
<b>Fiscal Agent and Paying Agent:</b>	BNP Paribas Securities Services (affiliated with Euroclear France under number 29106)
<b>Luxembourg Listing Agent:</b>	BNP Paribas Securities Services, Luxembourg Branch
<b>Method of Issue:</b>	The Notes will be issued on a syndicated or non-syndicated basis.
<b>Maturities:</b>	Subject to compliance with all relevant laws, regulations and directives, any maturity from seven days from the date of original issue.
<b>Currencies:</b>	Euro, U.S. Dollar, Japanese yen, Swiss franc, Sterling, Renminbi and any other currency specified in the relevant Final Terms.
<b>Commercial terms of the Notes (price, amount, interest rate, etc.):</b>	The financial terms and conditions of the Notes of each Series of Notes will be set out in the applicable Final Terms.
<b>Denomination(s):</b>	Minimum denomination of each Note issued by L'Air Liquide: €1,000 (or the equivalent amount in any other currency at the issue date). Minimum denomination of each Note issued by Air Liquide Finance: €100,000 (or the equivalent amount in any other currency at the issue date). Dematerialised Notes will be issued in one denomination only.
<b>Status of Notes:</b>	Unsubordinated or Subordinated Notes.
<b>Form of Notes:</b>	Dematerialised Notes or Materialised Notes. Dematerialised Notes may be issued in bearer dematerialised form ( <i>au porteur</i> ) or in registered dematerialised form ( <i>au nominatif</i> ). Materialised Notes will be in bearer form only.
<b>Negative Pledge:</b>	There will be a negative pledge in respect of Unsubordinated Notes.
<b>Event of Default (including cross-default):</b>	There will be events of default and a cross-default in respect of Unsubordinated Notes.
<b>Redemption:</b>	The Final Terms will specify the conditions under which the Notes

may be redeemed prior to maturity at the option of the Noteholder or the relevant Issuer.

<b>Taxation Redemption:</b>	The Notes will be subject to redemption at the option of the relevant Issuer for taxation reasons.
<b>Taxation:</b>	All payments of principal and interest by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.  See section “Taxation”.
<b>Central Depository:</b>	Euroclear France in respect of Dematerialised Notes.
<b>Clearing Systems:</b>	Clearstream, Luxembourg and Euroclear (and any other relevant clearing systems) in respect of Materialised Notes.
<b>Listing and Admission to Trading:</b>	The Luxembourg Stock Exchange or as otherwise specified in the relevant Final Terms. As specified in the relevant Final Terms, a Series of Notes may or may not be listed and admitted to trading.
<b>Offer to the public:</b>	Notes issued by L’Air Liquide may be offered to the public in Luxembourg and/or in any Member State of the European Economic Area, provided that such offer to the public is made in accordance with the EEA selling restrictions. Any offer to the public of Notes issued by L’Air Liquide shall be specified in the relevant Final Terms.  Notes issued by Air Liquide Finance shall be neither offered to the public in Luxembourg nor in any Member State of the EEA.
<b>Method of Publication of the Final Terms:</b>	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 ( <a href="http://www.bourse.lu">www.bourse.lu</a> ) 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.
<b>Rating:</b>	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.
<b>Selling Restrictions:</b>	The offer and sale of Notes will be subject to selling restrictions in various jurisdictions, in particular, those of the United States of America, those of the EEA including France and the United Kingdom. Further restrictions that may apply to a Series of Notes will be specified in the applicable Final Terms.
<b>Governing Law:</b>	French law

## KEY INFORMATION ABOUT L'AIR LIQUIDE AND AIR LIQUIDE FINANCE

### I. Key information about L'Air Liquide

Founded in 1902, L'Air Liquide is the parent company of the Air Liquide Group (the "Group"), the world leader<sup>1</sup> in gases for industry, health and the environment. From its first presence abroad in 1906, the Group now operates in over 80 countries and employs about 46,200 people. 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.

L'Air Liquide supplies oxygen, nitrogen, hydrogen and many other gases to most industries (steel, oil refining, chemicals, glass, electronics, healthcare, food processing, metallurgy, paper and aerospace). Gas and Services activities are organized around four business lines:

- Industrial Merchant (38% of Gas and Services sales in 2011)
- Large Industries (36% of Gas and Services sales in 2011)
- Healthcare (16% of Gas and Services sales in 2011)
- Electronics (10% of Gas and Services sales in 2011)

The Air Liquide Group develops a wide variety of services that range from managing all gas-related operations at customer sites and finding new energy solutions for manufacturers, to providing healthcare services for treating patients at home. By combining new technologies and services, the Group develops solutions that increase the industrial performance of its customers, improve healthcare and help protect the environment.

The Air Liquide Group has developed complementary competencies in Engineering and Construction, and Other Activities (including Welding and Specialty Chemicals and Diving).

In 2011, the Air Liquide Group revenues increased by 7.2%, amounting to 14.5 billion euros. Gas and Services revenues amounted to 12.8 billion euros, an increase of 7.5% from 2010 on a comparable basis, excluding exchange rate, significant perimeter and rising natural gas price impact. Group operating income remained high as a result of an operating margin maintained at 16.7%, an increase of 10 basis points, excluding the natural gas impact from 2010.

Net profit for 2011 amounted to 1,535 million euros, an increase of 9.4% compared to 2010. The dividend per share to be submitted to the vote of the Shareholders' Meeting of 9 May 2012 is 2.50 euros, representing a pay-out ratio of 47.5%.

Net cash from operating activities before changes in working capital for 2011 amounted to 2,728 million euros, an increase of 2.5%. Investments, net of disposals, declined slightly to 1,676 million euros. Industrial investments increased by more than 20% over the period. Hence, net debt remained stable at 5,248 million euros, excluding exchange rate and scope impact. The debt-to-equity ratio decreased from 55% in 2010 to 53% in 2011.

In the first quarter 2012, Group revenues reached 3,779 million euros, an increase of 6.7% over the first quarter 2011 on a comparable basis.

The statutory auditors of L'Air Liquide are Ernst & Young et Autres and Mazars.

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<sup>1</sup> Source: L'Air Liquide



As of 31 December 2011, the authorized capital was 1,560,971,175.50 euros, divided into 283,812,941 ordinary shares with a par value of 5.50 euros, all of the same class. As of 31 May 2012, the authorized capital was 1,715,239,669.00 euros, divided into 311,861,758 ordinary shares with a par value of 5.50 euros, all of the same class.

As of 31 December 2011, the share ownership of L'Air Liquide was the following:

- individual shareholders for approximately 37%
- institutional investors for approximately 63%
- treasury shares for less than 1%.

## **II. Key information about Air Liquide Finance**

Air Liquide Finance was incorporated on 23 December 1999, under the laws of France in the form of a *société anonyme* for a term of 99 years. It is a wholly-owned subsidiary of L'Air Liquide.

The registered office of Air Liquide Finance is 6, rue Cognacq-Jay, 75007 Paris. It is registered with the *Registre du commerce et des sociétés* of Paris under number 428 711 949. Its issued share capital amounts to 72,000,000 euros represented by 6,000,000 ordinary shares of 12 euros nominal value each.

Air Liquide Finance was created to carry on certain financial activities in connection with the funding of the 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 Group subsidiaries. Air Liquide Finance can issue notes under a French Commercial Paper Programme of 3 billion euros guaranteed by L'Air Liquide. Its wholly-owned subsidiary, Air Liquide US LLC, a Delaware limited company, is the issuer under a US Commercial Paper programme of USD 1.5 billion guaranteed by L'Air Liquide.

Since 2001, Air Liquide Finance assumes the function of financing, treasury and management of interest rate and foreign exchange risks for the Group.

The statutory auditors of Air Liquide Finance are Ernst & Young et Autres.

## **RISK FACTORS**

### **I. Risk factors relating to the Issuers**

#### **Investment considerations in connection with L'Air Liquide**

Due to the wide variety of the countries in which it operates and the diversity of its businesses, the Air Liquide Group may be exposed to various risks, among others:

- 1) Specific business-related risks:
  - Technological risks
  - Engineering and construction activity-related risks
  - Project-related risks
  - Business-related risks
  - Supply-related risks

- 2) Industrial and environmental risks
- 3) Financial risks:
  - Foreign exchange risk
  - Interest rate risk
  - Counterparty and liquidity risk
- 4) Digital risks
- 5) Legal risks
- 6) Insurance management
  - Property, damage and business interruption
  - Civil Liability

Mitigating these risks is a priority for the Group. As such, internal control procedures were developed by the Group.

The Group has a worldwide presence. Its subsidiaries operating industrial and medical gases production units are obliged to comply with rules and regulations in force locally, particularly in the technical field. Furthermore, in Healthcare, certain products may be subject to drug regulatory control.

In addition to the Principles of Action, which reaffirm the Group's values for each major zone (shareholders, customers, employees, etc.), the Group's policies are grouped together since 2009 in an overall Reference Document, the BLUEBOOK, which is available to employees on the intranet. They constitute a set of internal control and risk management procedures, which should be implemented by each entity included in the Group's consolidated financial statements. The BLUEBOOK is the cornerstone of the Group's internal control system.

The Group has adequate insurance coverage, underwritten by first-grade insurers, for civil liability, property damage and business interruption. The Group has retained a portion of property damage and business interruption risk through a captive reinsurance company.

#### **Investment considerations in connection with Air Liquide Finance**

To separate industrial activities from financing activities, L'Air Liquide set up Air Liquide Finance, a fully-owned French subsidiary. This subsidiary centralizes the Group's funding activities in countries whose risk has been validated by the Group and ensures the Group's interest rate and foreign exchange risks management. Investment considerations in connection with Air Liquide Finance with respect to its financial risks and liquidity risks are detailed above.

## **II. Risk factors relating to the Notes**

In addition, there are certain factors that are specific to the Notes to be issued by the Issuers under the Programme.

An investment in the Notes involves certain risks which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. While all of these risk factors are contingencies which may or may not occur, potential investors should be aware that the risks involved with investing in the Notes may lead to a volatility and/or decrease in the market value of the relevant Tranche of Notes whereby

the market value falls short of the expectations (financial or otherwise) of an investor upon making an investment in such Notes.

However, each prospective investor of Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is fully consistent with its financial needs, objectives and conditions, 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.

*The risk factors relating to the Issuers and to the Notes issued by the Issuers are more detailed in the section “Risk factors” of this Debt Issuance Programme Prospectus.*

## **RISK FACTORS**

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

#### **Investment considerations in connection with L'Air Liquide**

Please refer to Section "Documents incorporated by reference" of this Debt Issuance Programme Prospectus.

#### **Investment considerations in connection with Air Liquide Finance**

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

As of 31 December 2011, Air Liquide Finance granted, directly or indirectly, 4.7 billion euros in loans and received 2.8 billion euros in cash surpluses as deposits. These transactions were denominated in 14 currencies (primarily Euro, USD, JPY, RMB, GBP, CHF and SGD) and extended to approximately 200 subsidiaries. Because of the currency offsetting positions adopted by Air Liquide Finance, resulting from the currency hedging of intra-group loans and borrowings, these intra-group funding operations do not generate any foreign exchange risk for the Group.

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

In addition, Air Liquide Finance manages the Group's interest rate and foreign exchange risks.

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

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

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

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

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

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

A prospective investor may not rely on the 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 and admitted to trading on 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**

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

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

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

## **1.5 Exchange Rates**

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

## **1.6 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 and/or in the Final Terms 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 and the additional tax sections, if any, contained in the relevant Final Terms.

## **1.9 EU Savings Directive**

On 3 June 2003, the European Council of Economic and Finance Ministers adopted a directive 2003/48/EC regarding the taxation of savings income in the form of interest payments (the "**Directive**"). The Directive requires Member States, subject to a number of conditions being met, to provide to the tax authorities of other Member States details of payments of interest and other similar income made by a paying agent located within its jurisdiction to, or for the benefit of, an individual resident in that other Member State, except that, for a transitional period, Luxembourg and Austria will instead withhold an amount on interest payments unless the relevant beneficial owner of such payment elects otherwise (*see "Taxation-EU Taxation"*).

If, following implementation of the Directive, a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. If a withholding tax is imposed on payments made by a Paying Agent following implementation of the Directive, the relevant Issuer will be required to maintain a Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Directive.

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

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

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

### **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 financial preservation (*procédure de sauvegarde financière accélérée*), preservation (*procédure de sauvegarde*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) is opened in France with respect to the Issuer.

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

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

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

Decisions of the Assembly will be taken by a two-third majority (calculated as a proportion of the debt securities held by the holders attending such Assembly or represented thereat). No quorum is required to convoke the Assembly.

For the avoidance of doubt, the provisions relating to the Representation of the Noteholders described in this 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 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 the official application or interpretation of French law 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**

Unless in the case of any particular Tranche of Notes the relevant Final Terms specify otherwise, 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.

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 (as specified in the relevant Final Terms) of the reference rate (e.g., every three months or six months) which itself will change in accordance with general market conditions. Accordingly, the market value of floating rate Notes may be volatile if changes, particularly short term changes, to market interest rates evidenced by the relevant reference rate can only be reflected in the interest rate of these Notes upon the next periodic adjustment of the relevant reference rate.

## **2.4 Inverse Floating Rate Notes**

Investment in Notes which bear interest at an inverse floating rate comprise (i) a fixed base rate minus (ii) a reference rate. The market value of such Notes typically is more volatile than the market value of floating rate Notes based on the same reference rate (and with otherwise comparable terms). Inverse floating rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

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

Fixed to floating rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The 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 Index-Linked Notes and Dual Currency Notes**

The Issuer may issue Notes with principal or interest determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a “**Relevant Factor**”). In addition, the Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated.

An investment in Index-Linked Notes entails significant risks that are not associated with similar investments in a conventional fixed or floating rate debt security. The Issuer believes that Index-Linked Notes should only be purchased by investors who are, or who are purchasing under the guidance of, financial institutions or other professional investors that are in a position to understand the special risks that an investment in these instruments involves. These risks include, among other things, the possibility that:

- the market price of such Notes may be volatile;
- they may receive no interest;
- payment of principal or interest may occur at a different time or in a different currency than expected;
- the amount of principal payable at redemption may be less than the nominal amount of such Notes or even zero;
- a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable likely will be magnified; and
- the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

Index-linked Notes are not in any way sponsored, endorsed, sold or promoted by the index sponsor or the respective licensor of the index and such index sponsor or licensor makes no warranty or representation whatsoever, express or implied, either as to the results to be obtained from the use of the index and/or the figure at which the index stands at any particular time. Each index is determined, composed and calculated by its respective index sponsor or licensor, without regard to the relevant Issuer or the Notes. None of the index sponsors or licensors is responsible for or has participated in the determination of the timing of, prices at, or quantities of the Notes to be issued or in determination or

calculation of the equation by which the Notes settle into cash. None of the index sponsors or licensors has any obligation or liability in connection with the administration, marketing or trading of the Notes. The index sponsor or licensor of an index has no responsibility for any calculation agency adjustment made for the index.

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

## **2.8 Partly-Paid Notes**

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

## **2.9 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.

## **2.10 Structured Notes**

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

## **2.11 Subordinated Notes**

In the event of any insolvency or liquidation of the relevant Issuer, holders of Subordinated Notes would receive payments on any outstanding Subordinated Notes only after senior Noteholders and other senior creditors have been repaid in full, if and to the extent that there is still cash available for those payments. Thus, holders of Subordinated Notes generally face a higher performance risk than holders of senior Notes.

## **2.12 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 the Notes denominated in RMB may be adversely affected*

RMB is not freely convertible at present. The PRC government continues to regulate conversion between RMB and foreign currencies, including the Hong Kong dollar, despite the significant reduction over the years by the PRC government of its control over routine foreign exchange transactions under current accounts. The People’s Bank of China (“**PBOC**”) has established a RMB

clearing and settlement system for participating banks in Hong Kong pursuant to a settlement agreement relating to the clearing of RMB business between PBOC and Bank of China (Hong Kong) Limited. However, the current size of RMB and RMB denominated financial assets in Hong Kong is limited, and its growth is subject to many constraints which are directly affected by PRC laws and regulations on foreign exchange and may adversely affect the liquidity of Notes denominated in RMB.

*RMB currency risk*

Except in limited circumstances, all payments of RMB under Notes denominated in RMB to an investor will be made solely by transfer to a RMB bank account maintained in Hong Kong by such investor in accordance with the prevailing rules and regulations and in accordance with the terms and conditions of the Notes. The Issuer cannot be required to make payment by any other means (including in bank notes or by transfer to a bank account in the PRC or anywhere else outside Hong Kong). RMB is not freely convertible at present, and conversion of RMB into other currencies through banks in Hong Kong is subject to certain restrictions. In particular, for personal investors, currently conversions of RMB conducted through RMB deposit accounts are subject to a daily limit (as of the date hereof, such limit being up to RMB20,000 per person per day), and investors may have to allow time for conversion of RMB from/to another currency of an amount exceeding such daily limit.

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

*RMB exchange rate risk*

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

In certain circumstances and/or upon the occurrence of certain events, payments of interest under the Notes may be restricted and, in certain cases, forfeited and the amount of interest and principal may be reduced.

## 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> 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>	Barclays Bank PLC BNP PARIBAS Citigroup Global Markets Limited Crédit Agricole Corporate and Investment Bank HSBC France J.P. Morgan Securities Ltd. Mitsubishi UFJ Securities International plc Natixis SMBC Nikko Capital Markets Limited Société Générale 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 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.

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.

<b>Programme Limit:</b>	Up to €6,000,000,000 (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.
<b>Fiscal Agent and Paying Agent:</b>	BNP Paribas Securities Services (affiliated with Euroclear France under number 29106).
<b>Method of Issue:</b>	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a “Series”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “Tranche”) on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in a final terms to this Debt Issuance Programme Prospectus (the “ <b>Final Terms</b> ”).
<b>Maturities:</b>	Subject to compliance with all relevant laws, regulations and directives, any maturity from seven days from the date of original issue.
<b>Currencies:</b>	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Euro, 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.
<b>Denomination(s):</b>	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 €1,000 with respect to Notes issued by L’Air Liquide (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency at the issue date) and €100,000 with respect to Notes issued by Air Liquide Finance (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 Unsubordinated Notes:**

Unsubordinated Notes (“**Unsubordinated Notes**”) will constitute unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the relevant Issuer and rank and will rank *pari passu* without preference or priority among themselves and (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 relevant Issuer.

**Status of the Subordinated Notes:**

The Issuer may issue Subordinated Notes (“**Subordinated Notes**”) which constitute Ordinary Subordinated Notes, Deeply Subordinated Notes, Dated Subordinated Notes or Undated Subordinated Notes, all as set out and defined in Condition 4(A)(b). See “Terms and Conditions of the Notes – Condition 4 - Status”.

If so specified in the relevant Final Terms, the payment of interest in respect of Subordinated Notes will be deferred in accordance with the provisions of Condition 6(h). See “Terms and Conditions of the Notes –Interest and Other Calculations”.

**Guarantee:**

The Guarantor will unconditionally and irrevocably guarantee the due payment of all sums expressed to be due and payable by Air Liquide Finance under the Notes 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 17 July 2008.

**Status of the Guarantee:**

The Guarantee constitutes unconditional, unsubordinated and (subject to the provisions of Condition 5) unsecured obligations of the Guarantor and ranks and will 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 Unsubordinated Notes 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:**

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

**Redemption by Instalments:**

The Final Terms issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.

**Early Redemption:**

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

See section “Taxation”.

**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 2000 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc. or

(ii) by reference to LIBOR, LIBID, LIMEAN or EURIBOR (or such other benchmark as may be specified in the relevant Final Terms), in each case as adjusted for any applicable margin. Interest periods will be specified in the relevant Final Terms.

**Zero Coupon Notes:**

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

**Dual Currency Notes:**

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

**Index Linked Notes:**

Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula as may be specified in the relevant Final Terms. Each issue of Index Linked Notes to be listed on Euronext Paris must be made in compliance with the *Principes Généraux* published from time to time by the AMF (*Autorité des marchés financiers*).

**Other Notes:**

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

**Redenomination:**

Notes issued in the currency of any Member State of the EU which will participate in the single currency of the EMU may be redenominated into Euro, all as more fully provided in “Terms and Conditions of the Notes - Form, Denomination, Title and Redenomination” below.

**Consolidation:**

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

**Form of Notes:**

Notes may be issued in either dematerialised form (“**Dematerialised Notes**”) or in materialised form (“**Materialised Notes**”). Dematerialised Notes may, at the option of the relevant Issuer be issued in bearer dematerialised form (*au porteur*) or in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder, in either *au nominatif pur* or *au nominatif administré* form. No physical documents of title will be issued in respect of Dematerialised Notes. See “Notes – Form, Denomination, Title and Redenomination”.



Dematerialised Notes may, at the option of the relevant Issuer, be issued in bearer dematerialised form (*au porteur*) only or in registered dematerialised form (*au nominatif*) only and, in such case in either *au nominatif pur* or *au nominatif administré* form or in both bearer and registered dematerialised form (and in such case in either *au nominatif pur* or *au nominatif administré*).

In the case of Dematerialised Notes issued in both bearer and registered form the Noteholders will have the option to convert from bearer to registered (in such latter case in both *nominatif pur* and *nominatif administré* form) and *vice versa*. No physical documents of title will be issued in respect of Dematerialised Notes.

The relevant Final Terms will specify whether Dematerialised Notes are to be issued in bearer form only, in registered (including both *nominatif pur* and *nominatif administré*) form only or in both bearer and registered form.

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

**Governing Law:**

French law.

**Central Depository:**

Euroclear France in relation to Dematerialised Notes.

**Clearing Systems:**

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.

**Initial Delivery of Dematerialised Notes:**

One Paris business day before the issue date of each Tranche of Dematerialised Notes, the *Lettre Comptable* relating to such Tranche shall be deposited with Euroclear France as central depository.

**Initial Delivery of Materialised Notes:**

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. Partly-Paid Notes may be issued, the issue price of which will be payable in two or more instalments.

**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.

**Offer to the public:**

Notes issued by L’Air Liquide may or may not be offered to the public in Luxembourg and/or in any Member State of the EEA, provided that such offer to the public is made in accordance with the EEAa selling restrictions. Any offer to the public of Notes issued by L’Air Liquide shall be specified in the relevant Final Terms.

Notes issued by Air Liquide Finance shall be neither offered to the public in Luxembourg nor in any Member State of the EEA.

**Method of Publication of 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:**

L’Air Liquide’s long-term Unsubordinated Notes have been rated A and its short-term Unsubordinated Notes have been rated A-1 by Standard & Poor’s Ratings Services.

Air Liquide Finance’s long-term Unsubordinated Notes have been rated A and its short-term Unsubordinated Notes have been rated A-1 by Standard & Poor’s Ratings Services.

The credit ratings included or referred to in this Debt Issuance Programme Prospectus will be treated for the purposes of the Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit ratings agencies (as amended by Regulation (EU) No. 513/2011 of the European Parliament and of the Council of 11 May 2011) (the “**CRA Regulation**”) as having been issued by Standard & Poor’s Ratings Services which is established in the European Union and which is registered as a credit rating agency in accordance with the CRA Regulation, as it appears from the list published on the European Securities and Markets Authority’s website (<http://www.esma.europa.eu>).

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

**Selling Restrictions:**

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

The 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 and the Notes are described in the section entitled “Risk Factors”.

## DOCUMENTS INCORPORATED BY REFERENCE

This Debt Issuance Programme Prospectus should be read and construed in conjunction with the following documents which have been previously published or are published simultaneously with the Debt Issuance Programme Prospectus and that have been filed with the *Commission de surveillance du secteur financier* in Luxembourg and shall be incorporated in, and form part of, this Debt Issuance Programme Prospectus:

- the English version of the 2010 reference document, excluding the visa granted by the *Autorité des marchés financiers* and wording appearing below the visa and in the box on page 1, the "Certification by the person responsible for the Reference Document" appearing on page 292 and the "Cross-reference table" appearing on pages 293 to 296 respectively (the 2010 reference document excluding the sections referred to above, the "**2010 Reference Document**"). This document includes the audited consolidated annual financial statements and related audit report for the financial year ended 31 December 2010 of L'Air Liquide;
- the English version of the 2011 reference document, excluding the visa granted by the *Autorité des marchés financiers* and wording appearing below the visa and in the box and the legend in italics below the box on page 1, the "Certification by the person responsible for the Reference Document" appearing on page 302 and the "Cross-reference table" appearing on pages 303 to 306 respectively (the 2011 reference document excluding the sections referred to above, the "**2011 Reference Document**"). This document includes the audited consolidated annual financial statements and related audit report for the financial year ended 31 December 2011 of L'Air Liquide;
- the annual financial statements of Air Liquide Finance as of and for the year ended 31 December 2010;
- the annual financial statements of Air Liquide Finance as of and for the year ended 31 December 2011; and
- the English version of the First Quarter 2012 Revenue Report of L'Air Liquide;

save that any statement contained in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Debt Issuance Programme Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

Any reference in this Debt Issuance Programme Prospectus to the 2010 Reference Document or the 2011 Reference Document shall be deemed to exclude the sections referred to above, which are not relevant for investors.

L'Air Liquide takes responsibility for the English versions of the 2010 Reference Document, 2011 Reference Document and the First Quarter 2012 Revenue Report of L'Air Liquide subject to the Responsibility Statement on page 33 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.

All documents incorporated by reference in this Debt Issuance Programme Prospectus may be obtained, free of charge, at the offices of each Paying Agent set out at the end of this Debt Issuance Programme Prospectus during normal business hours so long as any of the Notes are outstanding.

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

**Cross-reference lists in respect of the information for the years ended 31 December 2010 and 2011 in respect of L'Air Liquide and Air Liquide Finance:**

<b>L'Air Liquide</b>		<b>2010 Reference Document</b>	<b>2011 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 21 to 25, 114 to 119 and 212 to 221
<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 135 to 213	Pages 155 to 231
	Consolidated Income statement	Page 137	Page 157
	Statement of net income and gains and losses recognised directly in equity	Page 138	Page 158
	Consolidated Balance Sheet	Page 139	Page 159
	Consolidated Statement of Cash Flows	Pages 140 and 141	Pages 160 and 161
	Consolidated Statement of Changes in Equity	Pages 142 and 143	Pages 162 and 163
	Accounting principles	Pages 144 to 153	Pages 164 to 174
	Explanatory notes: segment information, income statement, balance sheet, others	Pages 154 to 204	Pages 175 to 225
	Organisational structure	Pages 208 to 211	Pages 228 to 230
	Audit report for the latest financial year	Page 213	Pages 232 and 233
<b>Trend Information</b>			Page 50
<b>Administrative, Management, and Supervisory Bodies</b>	Board of Directors		Pages 102 and 143 to 151
	Executive Committee		Pages 103 and 151
<b>Board Practices</b>	Corporate Governance		Pages 104 and 297
	Audit and Accounts Committee, Appointment and Governance Committee and Remuneration Committee		Pages 109 to 113

<b>L'Air Liquide</b>		<b>2010 Reference Document</b>	<b>2011 Reference Document</b>
<b>Business Overview</b>	Principal activities		Pages 13 to 21
	Principal markets (including the competitive position of L'Air Liquide)		Pages 5, 13 to 21, 27 to 35, and 176 to 178
	Performance and highlights of the year		Pages 26 to 41
<b>Financing Strategy</b>			Pages 42 to 44
<b>Investments</b>			Pages 4, 36 to 41, 160, 176 and 224
<b>Legal and arbitration proceedings</b>			Pages 24, 197 and 225
<b>Material Contracts</b>			Page 224
<b>Share capital</b>			Pages 124 to 126, 135 to 138, 162, 163, 192 to 196, 223, 244, 266 to 267, 286 to 287, 291 and 292
<b>Major Shareholders</b>			Page 287
<b>Annual Shareholders' Meetings</b>	Resolutions proposed for approval at the Ordinary and Extraordinary Shareholders' Meetings		Pages 268 to 276
<b>New Products</b>			Pages 45. 46,90 to 94

<b>L'Air Liquide</b>		<b>First Quarter 2012 Revenue Report</b>
<b>Unaudited Financial information concerning the Issuer's Revenue</b>	<b>Unaudited Consolidated Revenue</b>	Pages 1 to 10

<b>Air Liquide Finance</b>		<b>Financial statements 2010 (French version)</b>	<b>Financial statements 2011 (French version)</b>
Financial information concerning the Issuer's assets and liabilities, financial position and profits	Audited historical financial information for the latest two financial years	Pages 2 to 13	Pages 2 to 16
	Balance Sheet	Pages 2 and 3	Pages 2 and 3
	Income statement	Page 4	Page 4

and losses	Accounting policies	Pages 5 and 6	Pages 6 to 8
	Explanatory notes	Pages 7 to 13	Pages 9 to 16
	Equity variations during the year	Page 8	Page 9
Audit report for the latest financial year		Cover Pages 1 and 2	Cover Pages 1 and 2

Any information not listed in the cross-reference list but included in the documents incorporated by reference is given for information purposes only.

## **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 *loi relative aux prospectus pour valeurs mobilières* 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 and admitted to trading on the Luxembourg Stock Exchange or on a Regulated Market of a Member State of the European Economic Area or to be offered to the public in Luxembourg or in any Member State of the European Economic Area, shall constitute a supplement to the Debt Issuance Programme Prospectus for the purpose of the relevant provisions of the *loi relative aux prospectus pour valeurs mobilières*.

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.



**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), the information contained (or incorporated by reference, including the free English translation of the corporate purpose of Air Liquide Finance and the auditors reports for the financial years ended 31 December 2010 and 31 December 2011 of L'Air Liquide and Air Liquide Finance) in this Debt Issuance Programme Prospectus is in accordance with the facts and contains no omission likely to affect its import and the Issuers accept responsibility accordingly.

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

## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of 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, amended or varied 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, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on Definitive Materialised Bearer Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in 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 19 June 2012 (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 17 July 2008 (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)**”. The holders of Dematerialised Notes and Materialised Notes, the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Materialised Notes and, where applicable in the case of such Notes, talons (the “**Talons**”) for further Coupons (the “**Couponholders**”) and the holders of the receipts (the “**Receipts**”) for the payment of instalments of principal (the “**Receiptholders**”) relating to Materialised Notes of which the principal is payable in instalments are deemed to have notice of all of the provisions of the Amended and Restated Agency Agreement applicable to them. Terms between square brackets shall apply to Notes issued by Air Liquide Finance and guaranteed by L’Air Liquide.

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**”).

- (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**”).

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

*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):**

- (i) Notes issued by L’Air Liquide shall be issued in the specified denomination(s) as set out in the relevant Final Terms (the “**Specified Denomination(s)**”) save that the minimum denomination of each Note listed and admitted to trading on a Regulated Market, or offered to the public, in a Member State of the European Economic Area (“**EEA**”) in circumstances which require the publication of a Debt Issuance Programme Prospectus under the Prospectus Directive will be at least €1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency at the issue date) or such 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.
- (ii) Notes issued by Air Liquide Finance shall be issued in the specified denomination(s) as set out in the relevant Final Terms (the “**Specified Denomination(s)**”) save that the minimum denomination of each Note listed and admitted to trading on a Regulated Market, or offered to the public, in a Member State of the EEA 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, Receipt(s) and/or a Talon attached thereto on issue (“**Definitive Materialised Bearer Notes**”), shall pass by delivery.
- (iii) Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the holder.
- (iv) In these Conditions, “**holder of Notes**”, “**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 Receipts, Coupons, or Talon relating to it, and capitalised terms have the meanings given to them in the relevant Final Terms, the absence of any such meaning indicating that such term is not applicable to the Notes.

**(d) Redenomination:**

The relevant Issuer may (if so specified in the relevant Final Terms), without the consent of any of the holders of any Note, Receipt, Coupon or Talon, by giving at least 30 days’ notice in accordance with Condition 16, 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**”), all as more fully set out in the relevant Final Terms.

**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, Receipts and Coupons and in accordance with their terms and conditions. The obligations of the Guarantor in this respect arise pursuant to a Guarantee Agreement (the “**Guarantee**”) executed by the Guarantor and dated 17 July 2008.

**4 Status**

**(A) Status of the Notes:**

The obligations of each Issuer under the Notes may be either unsubordinated (“**Unsubordinated Notes**”) or subordinated (“**Subordinated Notes**”).

**(a) Status of Unsubordinated Notes:**

The principal and interest on Unsubordinated 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* and without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French 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 Subordinated Notes:**

**(i) General**

Subordinated Notes (“**Subordinated Notes**”) comprise Ordinary Subordinated Notes, Deeply Subordinated Notes, Dated Subordinated Notes and Undated Subordinated Notes (all as defined below).

**(ii) Ordinary Subordinated Notes**

The principal and (if the applicable Final Terms so specify) interest on ordinary subordinated notes (“**Ordinary Subordinated Notes**”) constitute direct, unconditional, unsecured and subordinated obligations of the relevant Issuer and rank and will at all times rank *pari passu* and without any preference among themselves and *pari passu* with all other present and future Ordinary Subordinated Notes, but in priority to the *prêts participatifs* granted to the relevant Issuer and Deeply Subordinated Notes.

**(iii) Deeply Subordinated Notes**

The principal and (if the applicable Final Terms so specify) interest on deeply subordinated notes (“**Deeply Subordinated Notes**”) constitute direct, unconditional, unsecured and subordinated obligations of the relevant Issuer and rank and will at all times rank *pari passu* and without any preference among themselves and *pari passu* with all other present and future Deeply Subordinated Notes, but subordinate to the *prêts participatifs* granted to the relevant Issuer and Ordinary Subordinated Notes.

(iv) Dated Subordinated Notes

Subordinated Notes (which terms, for the avoidance of doubt, include both Ordinary Subordinated Notes and Deeply Subordinated Notes) may have a specified maturity date (“**Dated Subordinated Notes**”).

(v) Undated Subordinated Notes

Subordinated Notes (which terms, for the avoidance of doubt, include both Ordinary Subordinated Notes and Deeply Subordinated Notes) may not have a specified maturity date (“**Undated Subordinated Notes**”).

(vi) Interest relating to Subordinated Notes

Unless otherwise specified in the relevant Final Terms, payments of interest relating to Subordinated Notes constitute obligations which rank equally with the obligations of the relevant Issuer in respect of Unsubordinated Notes issued by the relevant Issuer in accordance with Condition 4(A)(a).

If so specified in the relevant Final Terms, payments of interest relating to Subordinated Notes will be deferred in accordance with the provisions of Condition 6(h).

(vii) Payment of Subordinated Notes in the event of the liquidation of the Issuer

If any judgement is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the relevant Issuer or if the relevant Issuer is liquidated for any other reason, the payments of the creditors of the relevant Issuer shall be made in the following order of priority (in each case subject to the payment in full of priority creditors):

- (a) unsubordinated creditors of the Issuer (including holders of Unsubordinated Notes);
- (b) holders of Ordinary Subordinated Notes;
- (c) lenders in relation to *prêts participatifs* granted to the Issuer; and
- (d) holders of Deeply Subordinated Notes.

In the event of incomplete payment of unsubordinated creditors the obligations of the relevant Issuer in connection with Ordinary Subordinated Notes shall be terminated (then subsequently the lenders in relation to *prêts participatifs* and holders of Deeply Subordinated Notes). The holders of Subordinated Notes shall take all steps necessary for the orderly accomplishment of any collective proceedings or voluntary liquidation.

The above order of priority which relates to the principal of Subordinated Notes will apply *mutatis mutandis* to interest payments depending on whether they are unsubordinated or subordinated and in the latter case whether they are ordinary subordinated or deeply subordinated.

**(B) Status of the Guarantee:**

The obligations of the Guarantor under the Guarantee, if any, constitute direct, unconditional and (unless the relevant Final Terms provides otherwise) 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 Unsubordinated Notes or, if applicable, any Receipts or Coupons relating to them, remain outstanding (as defined in the Amended and Restated Agency Agreement), 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 Unsubordinated Notes) unless such Issuer's obligations under the Unsubordinated Notes, Receipts 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.

This Condition 5 shall not apply to Subordinated Notes.

## 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 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

“**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 2000 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified in the relevant Final Terms

“**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, the institutions specified as such in the relevant Final Terms or, if none, four major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the Benchmark (which, if EURIBOR is the relevant Benchmark, shall be the Euro-zone)

“**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 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 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

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

“**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

“**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 except as otherwise provided in the relevant Final Terms.

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

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

(i) *Interest Payment Dates:* Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear (except as otherwise provided in the relevant Final Terms) on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown in the relevant Final Terms as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the relevant Final Terms, Interest Payment Date shall mean each date which falls the number of months or other period shown in the relevant Final Terms as the 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.

(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 plus or minus (as indicated in the relevant Final Terms) the Margin (if any). 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:

Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of such Interest Accrual Period in accordance with the following:

- (a) if the Primary Source for Floating Rate is a Page, subject as provided below, the Rate of Interest shall be:
  - (i) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity) or
  - (ii) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Page,

in each case appearing on such Page at the Relevant Time on the Interest Determination Date

- (b) if the Primary Source for the Floating Rate is Reference Banks or if sub-paragraph (a)(i) applies and no Relevant Rate appears on the Page at the Relevant Time on the Interest Determination Date or, if sub-paragraph (a)(ii) applies and fewer than two Relevant Rates appear on the Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the arithmetic mean of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, 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 so quoting Relevant Rates, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Specified Currency that at least two out of five leading banks selected by the Calculation Agent in the principal financial centre of the country of the Specified Currency or, if the Specified Currency is euro, in the euro-zone as selected by the Calculation Agent (the “**Principal Financial Centre**”) are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (I) to leading banks carrying on business in Europe, or (if the Calculation Agent determines that fewer than two of such banks are so quoting to leading banks in Europe) (II) to leading banks carrying on business in the Principal Financial Centre; except that, if fewer than two of such banks are so quoting to leading banks in the Principal Financial Centre, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).
- (iv) *Rate of Interest for Index Linked Interest Notes:* The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified in the relevant Final Terms and interest will accrue by reference to an Index or Formula as specified in the relevant Final Terms.
- (a) **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(e)(i)).
  - (b) **Dual Currency Notes:** In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating, a Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified in the relevant Final Terms.

- (c) **Partly-Paid Notes:** In the case of Partly-Paid Notes (other than Partly-Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the relevant Final Terms.
- (d) **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.
- (e) **Deferral of interest:** In the case of Subordinated Notes interest shall be payable on each Compulsory Interest Payment Date (as defined below) in respect of the interest accrued in the Interest Period ending on the day immediately preceding such date. On any Optional Interest Payment Date (as defined below) there may be paid (if the relevant Issuer so elects) the interest accrued in the Interest Period ending on the day immediately preceding such date but the relevant Issuer shall not have any obligation to make such payment and any such failure to pay shall not constitute a default under the Notes or for any other purpose. Notice of any Optional Interest Payment Date shall (for so long as the rules of any Stock Exchange so require) be given to the Noteholders in accordance with Condition 16 and to the relevant Stock Exchange. Such notice shall be given at least seven days prior to the relevant Optional Interest Payment Date(s). Any interest not paid on an Optional Interest Payment Date shall, so long as the same remains unpaid, constitute “Arrears of Interest” which term shall include interest on such unpaid interest as referred to below. Arrears of Interest may, at the option of the relevant Issuer, be paid in whole or in part at any time upon the expiration of not less than seven days’ notice to such effect given to the Noteholders in accordance with Condition 16 but all Arrears of Interest on all Subordinated Notes outstanding shall become due in full on whichever is the earliest of:
- (i) the Interest Payment Date immediately following the date upon which the *Assemblée Générale* passed a resolution to pay a dividend on the ordinary share capital of the Issuer and
  - (ii) the commencement of a liquidation or dissolution of the relevant Issuer.

If notice is given by the relevant Issuer of its intention to pay the whole or part of Arrears of Interest, the relevant Issuer shall be obliged to do so upon the expiration of such notice. When Arrears of Interest are paid in part, each such payment shall be applied in or towards satisfaction of the full amount of the Arrears of Interest accrued in respect of the earliest Interest Period in respect of which Arrears of Interest have accrued and have not been paid in full. Arrears of Interest shall (to the extent permitted by law) bear interest accruing (but only, in accordance with Article 1154 of the French Code civil, after such interest has accrued for a period of one year) and compounding on the basis of the exact number of days which have elapsed at the prevailing rate of interest on the Undated Subordinated Notes in respect of each relevant Interest Period. For these purposes the following expressions have the following meanings:

“**Compulsory Interest Payment Date**” means any Interest Payment Date unless at the Assemblée Générale of the shareholders of the relevant Issuer immediately preceding such date which was required to approve the annual accounts of the Issuer for the fiscal year ended prior to such Assemblée Générale, no resolution was passed to pay a dividend on the ordinary share capital of the Issuer in respect of such previous fiscal year.

“**Optional Interest Payment Date**” means any Interest Payment Date, as the case may be, other than a Compulsory Interest Payment Date.

- (f) **Margin, Maximum/Minimum Rates of Interest, Instalment Amounts 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, Instalment Amount or Redemption Amount is specified in the relevant Final Terms, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be
  - (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven 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 (or a formula for its calculation) is specified in respect of such period, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.
- (h) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Optional Redemption Amounts, Early Redemption Amounts and Instalment Amounts:** As soon as practicable after the relevant

time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, it shall determine such rate and calculate the Interest Amounts in respect of each Specified Denomination of the Notes for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Optional Redemption Amount, Early Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Optional Redemption Amount, Early Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the 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, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the 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 11.00 a.m. (Hong Kong time) on each Interest Determination Date, calculate the amount of interest payable per Specified Denomination for the relevant Interest Period. The determination of the amount of interest payable per Specified Denomination by the Calculation Agent shall (in the absence of manifest error and after confirmation by the Issuer) be final and binding upon all parties.

The Calculation Agent will cause the amount of interest payable per Specified Denomination for each Interest Period and the relevant Interest Payment Date to be notified to each of the Paying Agents and to be notified to Noteholders as soon as possible after their determination but in no event later than the fourth Business Day thereafter. The amount of interest payable per Specified Denomination and Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 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, purchased and cancelled as provided below or its maturity is extended pursuant to any option provided by the relevant Final Terms including any Issuer's option in accordance with Condition 7(c) or any Noteholders' option in accordance with Condition 7(d), each Note shall be finally redeemed on the Maturity Date specified in the relevant



Final Terms at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) or, in the case of a Note falling within Condition 7(b) below, its final Instalment Amount.

- (b) **Redemption by Instalments:** Unless previously redeemed, purchased and cancelled as provided in this Condition 7 or the relevant Instalment Date (being one of the dates so specified in the relevant Final Terms) is extended pursuant to any Issuer's or Noteholder's option in accordance with Condition 7(c) or 7(d), each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the relevant Final Terms. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused (i) in the case of Dematerialised Notes, on the due date for such payment or (ii) in the case of Materialised Notes, on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.
- (c) **Redemption at the Option of the Issuer, Exercise of Issuer's Options and Partial Redemption:** If a Call Option is specified in the relevant Final Terms, the relevant Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice in accordance with Condition 16 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 (including, where applicable, any Arrears of Interest), if any. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the minimum nominal amount to be redeemed specified in the relevant Final Terms and no greater than the maximum nominal amount to be redeemed specified in the relevant Final Terms.

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

In the case of a partial redemption or a partial exercise of 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 and the provisions of the relevant Final Terms, 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 and admitted to

trading on 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) **Redemption at the Option of Noteholders and Exercise of Noteholders' Options:** 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 days' notice to the Issuer (or such other notice period as may be specified in the relevant Final Terms) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption including, where applicable, any Arrears of Interest.

To exercise such option or any other Noteholders' option that may be set out in the relevant Final Terms (which must be exercised on an Option Exercise Date) the Noteholder must deposit with 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 unmaturing Receipts and Coupons and unexchanged Talons). In the case of Dematerialised Notes, the Noteholder shall transfer, or cause to be transferred, the Dematerialised Notes to be redeemed to the account of the Fiscal Agent or the 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.

- (e) **Early Redemption:**

(i) *Zero Coupon Notes:*

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 7(f) or Condition 7(j) 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 unless otherwise specified in the relevant Final Terms.
- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Nominal Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown in the relevant Final Terms, shall be such rate as would produce an Amortised Nominal Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 7(f) or Condition 7(j) 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(f) or Condition 7(g), or upon it becoming due and payable as provided in Condition 10 shall be the Final Redemption Amount together with interest accrued to the date fixed for redemption (including, where applicable, any Arrears of Interest) unless otherwise specified in the relevant Final Terms.

**(f) 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 days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 16, redeem all, but not some only, of the Notes at their Early Redemption Amount together with, unless otherwise specified in the Final Terms, any interest accrued to the date set for redemption (including, where applicable, any Arrears of Interest) 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, 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 days' prior notice to the Noteholders in accordance with Condition 16, redeem all, but not some only, of the Notes then outstanding at their Early Redemption Amount (as described in Condition 7(e) above) together with, unless otherwise specified in the Final Terms, any interest accrued to the date set for redemption (including, where applicable, any Arrears of Interest) 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, Receipts or Coupons, or, if that date is passed, as soon as practicable thereafter.
- (g) **Partly-Paid Notes:** Partly-Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the provisions specified in the relevant Final Terms.
  - (h) **Purchases:** The relevant Issuer shall have the right at all times to purchase Notes (provided that, in the case of Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price. Unless otherwise specified in the Final Terms, 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.

- (i) **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 Receipts and Coupons and all unexchanged Talons to the Fiscal Agent and, in each case, if so transferred or surrendered, shall, together with all Notes redeemed by the 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 Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so cancelled or, where applicable, transferred or surrendered for cancellation may not be reissued or resold and the obligations of the relevant Issuer and the Guarantor in respect of any such Notes shall be discharged.
- (j) **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 days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 16, 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 (including, for the avoidance of doubt, any Arrears of Interest, where applicable) 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 (including, for the avoidance of doubt, any Arrears of Interest, where applicable) in respect of Materialised Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Materialised Bearer Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 8(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 8(f)(vi)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the Noteholder, by transfer to an account denominated in such currency with, a Bank. "Bank" means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.
- (c) **Payments in the United States:** Notwithstanding the foregoing, if any Materialised Bearer Notes are denominated in 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 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 15, 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 16.

- (f) **Unmatured Coupons and Receipts and unexchanged Talons:**
- (i) Unless Materialised Bearer Notes provide that the relative Coupons are to become void upon the due date for redemption of those Notes, Materialised Bearer Notes should be surrendered

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

- (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 and admitted to trading on 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, Receipt or Coupon is not a business day, the Noteholder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, “business day” means a day (other than a Saturday or a Sunday) (A) (i) in the case of Dematerialised Notes, on which Euroclear France is open for business or (ii) in the case of Materialised Notes, on which banks and foreign exchange markets are open for business in the relevant place of presentation, (B) on which banks and foreign exchange markets are open for business in such jurisdictions as shall be specified as “Financial Centres” in the relevant Final Terms and (C) (i) in the case of a payment in a currency other than euro, where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or (ii) in the case of a payment in euro, which is a TARGET Business Day.
- (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-days irrevocable notice to the Noteholders prior to the due date for payment, may settle any such payment (in whole or in part) in US Dollars on the due date at the US Dollar Equivalent of any such Renminbi denominated amount.

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

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

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.

“**Illiquidity**” means that the general Renminbi exchange market in Hong Kong becomes illiquid, other than as a result of an event of Inconvertibility or Non-Transferability, as determined by the 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 Issuer or the Guarantor, as the case may be, cannot, each having used its reasonable endeavours, obtain sufficient Renminbi in order fully to satisfy its obligation to pay interest or principal in respect of the 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, 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 from an account inside Hong Kong to an account outside Hong Kong, other than where such impossibility is due solely to the failure of the 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 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 Issuer for the determination of the RMB Spot Rate or identified as such in the relevant Final Terms.

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

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

“**RMB Spot Rate**” for a RMB Rate Calculation Date means the spot CNY/US dollar exchange rate for the purchase of US Dollars with CNY in the over-the-counter CNY exchange market in Hong Kong for settlement on the relevant due date for payment, as determined by the RMB Rate Calculation Agent at or around 11 a.m. (Hong Kong time) on such RMB Rate Calculation Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the RMB Rate Calculation Agent will determine the RMB Spot Rate at or around 11 a.m. (Hong Kong time) on the RMB Rate Calculation Date as the most recently available CNY/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.



“**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) **Tax exemption for Notes:** All payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law;
- (b) **Additional amounts:** If French law should require that payments of principal or interest in respect of any Note, Receipt 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 Receiptholders and the Couponholders, as the case may be, of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon, as the case may be:
- (i) **Other connection:** to, or to a third party on behalf of, a Noteholder or, if applicable, a Receiptholder or Couponholder, as the case may be, who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with the Republic of France other than the mere holding of the Note, Receipt 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 Receiptholder or Couponholder, as the case may be, would have been entitled to such additional amounts on presenting it for payment on the thirtieth such day; or
- (iii) **Payment to individuals:** where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council Meeting of 26-27 November 2000 on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (iv) **Payment by another Paying Agent:** in respect of Definitive Materialised Bearer Notes, presented for payment by or on behalf of a holder of any Note, Receipt or Coupon, as the case may be, who would be able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the EU.

As used in these Conditions, “**Relevant Date**” in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due (and, for the avoidance of doubt, in the case of Arrears of Interest, references to “becomes due” shall be interpreted in accordance with the provisions of Condition 6(h)) 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, Receipt 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, all Instalment Amounts, 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 (including, for the avoidance of doubt, all arrears of interest) 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.

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

## 10 Events of Default

The Representative (as defined under Condition 12(a)), 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:

- (a) **Unsubordinated Notes:** In the case of Unsubordinated Notes:
- (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 50,000,000 (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 applies for the appointment of a mandataire *ad hoc* or enters into a conciliation procedure (*procédure de conciliation*) with its creditors 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.]

- (b) **Subordinated Notes:** In the case of Subordinated Notes and in accordance with Condition 4(A)(b), if any judgement shall be issued for the judicial liquidation (liquidation judiciaire) of the relevant Issuer or if the relevant Issuer is liquidated for any other reason then the Subordinated Notes shall become immediately due and payable, in accordance with Condition 4(A)(b), at their principal amount together with any accrued interest to the date of payment.

## 11 Prescription

Claims against the relevant Issuer for payment in respect of the Notes, Receipts and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 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

Except as otherwise provided by the relevant Final Terms, Noteholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a *masse* (in each case, the “**Masse**”). The *Masse* will be governed by the provisions of the French *Code de commerce* with the exception of Articles L.228-48, L.228-59, , L.228-65 II, R.228-63, R.228-67, R.228-69 and R.228-72 subject to the following provisions:

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

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

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

- (i) the 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
- (ii) 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
- (iii) 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
- (iv) 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.

- (c) **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.

- (d) **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 16 not less than 15 days prior to the date of such General Meeting.

Each Noteholder has the right to participate in a General Meeting in person, by proxy, correspondence, or, if the *statuts* of the relevant Issuer so specify<sup>2</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.

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

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

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<sup>22</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.

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 third 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 16.

- (f) **Information to Noteholders:** Each Noteholder or Representative thereof will have the right, during the 15-day period preceding the holding of each General Meeting, 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.
- (g) **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.
- (h) **Single Masse:** The holders of Notes of the same Series, and the holders of Notes of any other Series which have been assimilated with the Notes of such first mentioned Series in accordance with Condition 15, 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 Modifications

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

The Amended and Restated Agency Agreement will be capable of amendment or waiver by the parties thereto, without the consent of Noteholders, Receiptholders or Couponholders, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which the parties to the Amended and Restated Agency Agreement mutually deem necessary or desirable and which does not, in the reasonable opinion of such parties, adversely affect the interests of the Noteholders, Receiptholders or Couponholders.

### 14 Replacement of definitive Notes, Receipts, Coupons and Talons

If, in the case of any Materialised Bearer Notes, a Definitive Materialised Bearer Note, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and 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, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the relevant Issuer in respect of such Definitive Materialised Bearer Notes, Receipts, Coupons or further Coupons) and otherwise as the relevant Issuer may require. Mutilated or defaced Materialised Bearer Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

## 15 Further Issues and Consolidation

- (a) **Further Issues:** Unless otherwise specified in the relevant Final Terms, the relevant Issuer may, without the consent of the Noteholders, Receiptholders or Couponholders create and issue further Notes to be assimilated (*assimilées*) with the Notes provided such Notes and the further Notes carry rights identical in all respects (or in all respects save for the principal amount thereof and the first payment of interest 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 days’ prior notice to the Noteholders in accordance with Condition 16, without the consent of the Noteholders, Receiptholders or Couponholders, consolidate the Notes of one Series with the Notes of one or more other Series issued by it, whether or not originally issued in one of the European national currencies or in euro, provided such other Notes have been redenominated in euro (if not originally denominated in euro) and which otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions as the Notes.

## 16 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, shall be valid 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 16 (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.

## **17 Method of Publication of the Final Terms**

Without prejudice to any provisions of the Prospectus Directive, at the choice of the relevant Issuer, and upon each relevant issue, 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 during normal business hours, 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.

In addition, should the Notes be admitted to trading on a Regulated Market other than the Luxembourg Stock Exchange, the Final Terms related to those Notes will provide whether this Debt Issuance Programme Prospectus and the relevant Final Terms will be published on the website of (a) such Regulated Market or (b) the competent authority of the Member State in the EEA where such Regulated Market is situated, or (c) otherwise.

## **18 Governing Law and Jurisdiction**

- (a) **Governing Law:** The Notes (and, where applicable, the Receipts, the Coupons and the Talons) and all non-contractual obligations arising out of or in connection with them, the Guarantee and the Amended and Restated Agency Agreement 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, Receipts, Coupons or Talons or the Guarantee and the Amended and Restated Agency Agreement 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 “*Summary 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 and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Temporary Global Certificate and a Talon). Definitive Materialised Bearer Notes will be security printed in accordance with any applicable legal and 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 days after its issue date, provided that, in the event any further Materialised Notes are issued prior to such

day pursuant to Condition 15, the Exchange Date for such Temporary Global Certificate shall be postponed to the day falling after the expiry of 40 days after the issue of such further Materialised Notes.

## **USE OF PROCEEDS**

The net proceeds of the issue of the Notes will be used for L'Air Liquide's general corporate purposes unless otherwise specified in the relevant Final Terms, and, in the case of the issue of Notes by Air Liquide Finance, the net proceeds will be used for the financing of the Air Liquide Group.

## DESCRIPTION OF L’AIR LIQUIDE

### Introduction

*L’Air Liquide - société anonyme pour l’Etude et l’Exploitation des Procédés Georges Claude* (the “**Issuer**” or “**L’Air Liquide**”) is a French *société anonyme* and is 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, 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 Group is described on pages 228 to 229 of the Financial Statements Section of the 2011 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 2011, approximately 410,000 individual investors hold approximately 37% of the capital. French and non-French institutional investors represent approximately 21% and 42% of the capital respectively, the remaining (less than 1%) is treasury shares.

At the end of 2011, the share of capital held by employees and former employees of the Air Liquide Group is estimated at 2.2%, of which 1.6% (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 2011, the authorized capital was 1,560,971,175.50 euros, divided into 283,812,941 ordinary shares with a par value of 5.50 euros, all of the same class. As of 31 May 2012, the authorized capital was 1,715,239,669.00 euros, divided into 311,861,758 ordinary shares with a par value of 5.50 euros, all of the same class. L’Air Liquide corporate purposes 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.

The company 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.

Consolidated and non-consolidated annual accounts of L'Air Liquide are audited and published. L'Air Liquide also publishes consolidated interim financial statements in respect of which L'Air Liquide's statutory auditors carry out a limited review. The statutory auditors of L'Air Liquide are Mazars (represented by Lionel Gotlib) and Ernst and Young et Autres (represented by Jean-Yves Jégourel). The alternate auditors are Patrick de Cambourg and Auditex.

## RECENT DEVELOPMENTS OF L'AIR LIQUIDE SINCE 1 JANUARY 2012

### Shareholders' Meeting of 9 May 2011

The shareholders' meeting held on 9 May 2012 duly approved all ordinary and extraordinary resolutions submitted to its decision.

The shareholders meeting of 9 May 2012 approved the appointment of Mr. Pierre Dufour as a Director of L'Air Liquide.

### Business of L'Air Liquide - Recent Developments since 1 January 2012

The Group pursued its growth strategy based on the strengthening of its presence in emerging economies:

#### *Europe:*

- The Air Liquide Group announced it has completed the acquisition of 75% of the shares of LOGIKA, a regional industrial gas company located in Moscow in Russia that produces bulk and packaged gases for industrial and medical markets. The remaining 25% will remain in the hands of Ruselectronics, a subsidiary of the State Corporation Rostechologii. The company will invest in a new state-of-the-art Air Separation Unit, which will produce liquid oxygen and nitrogen, and in a new cylinder filling center. The overall investment will amount to around €40 million. This deal with Ruselectronics is a first step in the partnership between Air Liquide and the State Corporation Rostechologii and will strengthen the position of Air Liquide in Russia, reflecting its strategy of focusing expansion on key growth regions.
- The Air Liquide Group and Astrium announced the creation of EuroCryospace, a strategic partnership at European level. EuroCryospace is the new European expansion of Cryospace, created nearly 25 years ago by both companies, for the development and production of Ariane cryogenic tanks. EuroCryospace will be focused on the development and production of cryogenic tanks, in particular for the Ariane 5 Midlife Evolution (ME) upper stage. This long-term commitment will lead to the opening of a new site in Bremen, Germany, and to the creation of around 40 jobs during the production phase.
- Pursuing its long-term development in Russia, Air Liquide is starting-up a new Air Separation Unit that will produce oxygen and nitrogen in the Special Economic Zone "Alabuga" in the Volga region, Tatarstan. One of the main drivers of this large regional economy is a significant manufacturing capacity: industrial production constitutes approximately 40% of Tatarstan's gross regional product. This new state-of-the-art Air Separation Unit will produce 200 tonnes per day of oxygen and nitrogen to supply the current and future needs of industrial customers in the region.
- The Air Liquide Group and the Bayer Group have reached a new long term agreement to provide Bayer MaterialScience with large quantities of hydrogen and carbon monoxide. To meet this customer's needs, Air Liquide will invest around €100 million in a hydrogen and carbon monoxide production unit based at the Chempark Dormagen site, one of the largest chemical parks in Europe, located near Cologne in North Rhine-Westphalia. This state-of-the-art unit will be designed and built on the customer's site by Air Liquide Global E & C Solutions teams and is scheduled for commissioning in 2014.

### ***Africa and Middle East:***

- The Air Liquide Group has signed a major long-term contract in South Africa with Evraz Highveld Steel and Vanadium, the second-largest steel producer there. Investment in a new Air Separation Unit (ASU) with a capacity of 770 tonnes of oxygen per day, expected to be commissioned at the end of 2013, will ensure the supply of oxygen. The use of this gas helps to improve steelworks productivity and energy performance whilst reducing atmospheric emissions. This new ASU will also produce liquid oxygen, nitrogen, and argon to meet growing demand from South Africa's industrial merchant market. The facility will be designed and manufactured by Air Liquide Engineering & Construction teams using the Group's latest technologies, which offer high levels of energy efficiency and reliability. The overall investment amounts to around €40 million and represents a major improvement in the Air Liquide Group's position in a growing market.

### ***Electronics:***

- To meet industry demand in Electronics for cleaning gases for large panel display and silicon thin film photovoltaic manufacturing, the Air Liquide Group has decided to broaden its offer by proposing an alternative to existing cleaning gases for its customers. In addition to carrier and specialty gases and precursor materials used in the manufacturing process, it will also supply fluorine cleaning gas solutions. Starting in 2012, flat panel display and silicon thin film photovoltaic manufacturing sites will have access to this environmentally-friendly gas. Fluorine will become an alternative to nitrogen trifluoride gas (NF<sub>3</sub>), which is a commonly used cleaning application in this industry. It will be produced directly by large on-site facilities, offering a cost effective and reliable approach to cleaning applications that will also allow customers to benefit from productivity enhancement. The Air Liquide Group is joining forces with the Solvay Group in a worldwide joint venture to bring this offer to market, an undertaking that involves building, owning and operating the next generation of on-site fluorine solutions.

### ***Healthcare/Homecare***

- The Air Liquide Group is pursuing the development of its activities in the home healthcare sector and announced on 8 June 2012 the beginning of exclusive negotiations with a view to acquiring 70.49% of LVL Médical Groupe SA's (LVL Médical) share capital from the controlling shareholders at a price of €30.89 per share. This transaction, once finalized, would enable Air Liquide Group to gain control of LVL Médical's French activities, for an enterprise value of €316 million. This acquisition of a controlling stake in LVL Médical will be followed by a simplified public tender offer (and, possibly, by a compulsory squeeze-out) on the remaining LVL Médical share and subscription warrants, in accordance with applicable rules. Prior to the acquisition by Air Liquide Group, LVL Médical's German activities will be acquired by the Lavorel Family, the majority shareholder. LVL Médical is an historical player in the home healthcare sector, with 50,000 patients served at home in France and sales in France of €104 million in 2011. The Air Liquide Group intends to pursue LVL Médical's development by favouring the continuity of the company's management and by relying upon the expertise and commitment of its teams.

### **Q1 2012 results and outlook**

The Air Liquide Group revenues for the first quarter 2012 reached 3,779 million euros, an increase of 6.7% over the first quarter 2011, as published. After a fourth quarter 2011 characterized by a slowdown in growth related to the global economy situation, the first quarter 2012 reflects progressive growth in the volumes consumed by clients of the Group. Gas & Services sales reached 3,443 million euros, an increase of 4.0% over the first quarter 2011 on a comparable basis. Growth is steady in Developing Economies (11% ),

particularly in China, South America, Eastern Europe and the Middle East, and moderate in the Advanced Economies (2%). The lower level of equipment sales in Electronics, weighing on growth in the Asia zone, is compensated by the strength of the activity in North America.

The new efficiency gains amount to €59 million and are in line with the objectives of the Air Liquide's ALMA 2015 program. Net debt remains stable.

Commenting on the first quarter 2012, Benoît Potier, Chairman and CEO of the Air Liquide Group, stated:

*“This 1st quarter is characterized by a progressive improvement in activity, particularly in the month of March, leading to quarterly revenue growth of nearly 7%. The increase of the order intake in Engineering & Construction and the stability at a high level of the Group's 12-month portfolio of opportunities are tangible signs of the continuing strength in our clients' investment projects; they reinforce our confidence in the medium term. All of the initiatives taken within the ALMA 2015 program continue to contribute to the improvement of our performance indicators, and allow us to achieve growth while controlling expenses. In this context, and barring a major economic downturn, Air Liquide continues to aim for growth in net profit in 2012.”*

#### **Significant changes in the commercial or financial situation**

No other significant commercial or financial change has occurred since 31 December 2011, the close of the last published accounts.

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

The members of the Board of Directors of L'Air Liquide have no potential conflicts of interest with regard to L'Air Liquide.



**SELECTED KEY INFORMATION EXTRACTED FROM  
CONSOLIDATED AUDITED FINANCIAL STATEMENTS OF  
L'AIR LIQUIDE FOR THE YEAR ENDED  
31 DECEMBER 2011**

**Summary Statement of Earnings of L'Air Liquide for the year ended 31 December 2011**

<i>In millions of euros</i>	31 December 2010	31 December 2011
<b>Revenue</b>	<b>13,488.0</b>	<b>14,456.9</b>
Operating income recurring before depreciation and amortization	3,374.3	3,563.6
Operating income recurring	2,252.2	2,408.7
Operating income	2,254.2	2,436.5
<b>Profit for the period</b>	<b>1,458.1</b>	<b>1,594.7</b>
Minority interests	54.5	59.8
Net profit (Group share)	1,403.6	1,534.9
Basic earnings per share (in euros)	4.99	5.43
Diluted earnings per share (in euros)	4.97	5.41

**Summary Balance Sheet of L'Air Liquide as of 31 December 2011**

<i>In millions of euros</i>	31 December 2010	31 December 2011
<b>ASSETS</b>		
Non-current Assets	17,070.6	18,256.9
Current Assets	5,467.0	5,866.5
<b>Total Assets</b>	<b>22,537.6</b>	<b>24,123.4</b>
<b>EQUITY AND LIABILITIES</b>		
<i>Shareholders' equity</i>	8,903.5	9,758.6
<i>Minority interests</i>	209.0	237.1
Total Equity	9,112.5	9,995.7
Non-current liabilities	8,946.9	9,080.9
Current Liabilities	4,478.2	5,046.8
<b>Total Equity and Liabilities</b>	<b>22,537.6</b>	<b>24,123.4</b>

## DESCRIPTION OF AIR LIQUIDE FINANCE

Air Liquide Finance was incorporated on 23 December 1999, under the laws of France in the form of a *société anonyme* for a term of 99 years. It is a wholly owned subsidiary of L'Air Liquide.

The registered office of Air Liquide Finance is 6, rue Cognacq-Jay, 75007 Paris and its phone number is + 33 1 40 62 55 55. It is registered with the *Registre du commerce et des sociétés* of Paris under number 428 711 949. Its 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

Air Liquide Finance's corporate purpose comprises: <sup>(1)</sup>

- 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.

### Statutory Auditors

The statutory auditors of the Issuer are Ernst & Young et Autres. The alternate auditor is Frederic Allillaire. The Issuer is only required to publish annual accounts with a fiscal year ending on 31 December and which are audited by its auditors.

(1) Free translation of the French language original.

## **BUSINESS OF AIR LIQUIDE FINANCE**

Air Liquide Finance was created to carry out certain financial activities in connection with the funding of the 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 a European Medium Term Note Programme of EUR 6 billion guaranteed by L'Air Liquide. 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 Group.

Air Liquide Finance corporate purposes summarised in the previous section are also described in article 2 of the articles of association.

### **Significant changes in the financial situation**

Air Liquide Finance issued on 27 January 2012 a private placement under its EMTN programme maturing in March 2019 for a total amount of USD 200,000,000.

Apart from the above-mentioned private placement, no significant change has occurred in the financial situation of Air Liquide Finance since 31 December 2011 (date of the latest audited accounts).

## MANAGEMENT OF AIR LIQUIDE FINANCE

The Issuer is a French *société anonyme* 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 the date hereof, the following are the members of the Board of Directors of Air Liquide Finance:

### **Fabienne Lecorvaisier**

#### **Director, Chairman and Chief executive officer**

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

#### Functions within L'Air Liquide:

Member of Executive Committee

Group Vice-President Finance and Operations Control

#### Principal activities undertaken outside L'Air Liquide:

Director: Air Liquide America Holdings, Inc., Air Liquide International, Air Liquide Japan, Air Liquide France Industrie and Pharmadom

Manager: Air Liquide US LLC

### **Jacques Ethevenin**

#### **Director**

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

#### Function within L'Air Liquide:

Deputy Finance Director

#### Principal activities undertaken outside L'Air Liquide:

Director: Société Anonyme Française Péroune, Orsay-Re, Assur-Orsay, Carbagas, Air Liquide UK, Air Liquide Afrique Air Liquide Middle East, Cryolor, Air Liquide Belge, SEGE, Air Liquide India Holdings, Air Liquide China and Air Liquide Industries Belgium.

Member of the Supervisory Board: Air Liquide Industrie BV and Lurgi

Representative of L'Air Liquide on the GIE "Cryospace L'Air Liquide Aérospatiale" Members Meeting

**Jacques Molgo**

**Director**

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

Function within L'Air Liquide:

Director Group Financing and Treasury

**Yves Bataillon-Debès**

**Director**

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

Function within L'Air Liquide:

Director Corporate Finance and M&A

Principal activities undertaken outside L'Air Liquide:

Director: Air Liquide Marketing, Air Liquide Management, Air Liquide Management I, Air Liquide Offshore and AL-RE

The members of the Board of Directors:

- have no family-based links with all other members of the Board of Directors
- have no potential conflicts of interest with regard to Air Liquide Finance.

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.

**SELECTED KEY INFORMATION EXTRACTED FROM THE  
AUDITED FINANCIAL STATEMENTS OF AIR LIQUIDE FINANCE FOR  
THE YEAR ENDED 31 DECEMBER 2011**

**Summary Statement of Earnings of Air Liquide Finance for the year ended 31 December 2011**

<i>In thousands of euros</i>	31 December 2010	31 December 2011
Operating Income	-1,515.7	-1,795.2
Earnings before income taxes	58,947.7	43,215.6
<b>Net earnings</b>	<b>41,353.9</b>	<b>30,671.7</b>

**Summary Balance Sheet of Air Liquide Finance as of 31 December 2011**

<i>In thousands of euros</i>	31 December 2010	31 December 2011
<b>Assets</b>		
Non current assets	3,312,405.0	3,423,478.3
Current Assets	2,240,226.9	2,064,778.2
<b>Total Assets</b>	<b>5,552,631.9</b>	<b>5,488,256.5</b>
<b>Liabilities and Shareholder's Equity</b>		
Shareholder's Equity	78,325.5	108,997.2
Provisions	12,255.2	13,568.9
Liabilities	5,462,051.2	5,365,690.3
<b>Total Equity and Liabilities</b>	<b>5,552,631.9</b>	<b>5,488,256.5</b>

## DESCRIPTION OF THE GUARANTEE

### 1 Nature of the Guarantee

#### 1.1 Main Provisions

L’Air Liquide (the “**Guarantor**”) granted through the execution of a Guarantee Agreement dated 17 July 2008 an irrevocable and unconditional guarantee (the “**Guarantee**”) up to a maximum principal amount of €6,000,000,000 plus any amount of interest due under the Notes issued by Air Liquide Finance. As at the date of this Debt Issuance Programme Prospectus, the Guarantee remains in full force and effect.

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 this Guarantee or take any other action that would result in asserting claims of the Guarantor at the same time as claims of the Noteholder.

#### 1.2 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 receipts or coupons relating thereto, the Guarantor shall grant any mortgage (*hypothèque*), 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.

### 2 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 (voluntary or mandatory) by acceleration of maturity. The Guarantor undertakes to pay any sum due under the Notes and unpaid by the Issuer in accordance with the terms and conditions of the Notes.

### 3 Information to be disclosed about the Guarantor

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

### 4 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 relating to the Notes that may be issued under the Programme. Each prospective holder or beneficial owner of Notes should consult its tax advisor as to the tax consequences of any investment in, or ownership and disposition of, the Notes.*

On 3 June 2003, the European Council of Economic and Finance Ministers adopted the Directive 2003/48/EC on the taxation of savings income (the “**Directive**”). Pursuant to the Directive and subject to a number of conditions being met, Member States are required, since 1 July 2005, to provide to the tax authorities of another Member State, inter alia, details of payments of interest within the meaning of the Directive (interest, premiums or other debt income) made by a paying agent located within its jurisdiction to, or for the benefit of, an individual resident in that other Member State (the “**Disclosure of Information Method**”).

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

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

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

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

The European Commission published a detailed proposal for amendments to the Savings Directive, which included a number of suggested changes. If any of these proposed changes are made in relation to the Savings Directive they may amend or broaden the scope of the requirements described above.

### LUXEMBOURG – TAXATION

*The following is a general description of certain tax laws 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 with the possible exception of interest paid to certain individual Noteholders and to certain entities, there is no Luxembourg withholding tax on payments of interest, including accrued but unpaid interest. There is also no Luxembourg withholding tax, with the possible exception of payments made to certain individual Noteholders and to certain entities, upon repayment of principal in case of reimbursement, redemption, repurchase or exchange of the Notes.

### **Individuals**

#### *Luxembourg non-resident individuals*

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

Under the Luxembourg laws dated 21 June 2005 implementing the European Council Directive 2003/48/EC on the taxation of savings income (the “**Directive**”) and several agreements concluded between Luxembourg and certain dependent or associated territories of the European Union (“**EU**”), a Luxembourg based paying agent (within the meaning of the Directive) is required since 1 July 2005 to withhold tax on interest and other similar income paid by it to (or under certain circumstances, to the benefit of) an individual resident in another Member State or in certain EU dependant or associated territories, unless the beneficiary of the interest payments elects for the procedure of exchange of information or for the tax certificate procedure. The same regime applies to payments of interest and other similar income made to certain “residual entities” within the meaning of Article 4.2 of the Directive established in a Member State or in certain EU dependent or associated territories (i.e., entities which are not legal persons (the Finnish and Swedish companies listed in Article 4.5 of the Directive are not considered as legal persons for this purpose), whose profits are not taxed under the general arrangements for the business taxation, that are not UCITS recognised in accordance with the Council Directive 85/611/EEC or similar collective investment funds located in Jersey, Guernsey, the Isle of Man, the Turks and Caicos Islands, the Cayman Islands, Montserrat or the British Virgin Islands and have not opted to be treated as UCITS recognised in accordance with the Council Directive 85/611/EEC).

The withholding tax rate is 35 per cent. since 1 July 2011. The withholding tax system will only apply during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain third countries.

#### *Luxembourg resident individuals*

Interest payments made by European-based paying agents (defined in the same way as in the Directive) to Luxembourg individual residents or to certain residual entities that secure interest payments on behalf of such individuals (unless such entities have opted either to be treated as UCITS recognised in accordance with the Council Directive 85/611/EEC or for the exchange of information regime) are subject to a 10 per cent. withholding tax.

### **FRANCE – TAXATION**

*The following is a summary limited to certain 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 the Notes that (i) are non-French residents for French tax purposes, (ii) do not hold the Notes in connection with a business or profession conducted in France or through a permanent establishment or a fixed base in France, and (iii) do not 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.

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

### **Notes issued as from 1 March 2010**

Payments of interest and other revenues made by the Issuer with respect to Notes issued on or after 1 March 2010 (other than Notes (described below) which are assimilated to (*assimilables* for the purpose of French law), and form a single series with, Notes issued prior to 1 March 2010 benefitting from the exemption from withholding tax of Article 131 *quater* of the French *Code Général des Impôts*) will not be subject to the withholding tax set out under Article 125 A III of the French *Code Général des Impôts* unless such payments are made outside France in a non-cooperative State or territory (Etat ou territoire non coopératif) within the meaning of Article 238-0 A of the French *Code Général des Impôts* (a “**Non-Cooperative State**”). If such payments under the Notes are made in a Non-Cooperative State, a 50% withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of any applicable double tax treaty) by virtue of Article 125 A III of the French *Code Général des Impôts*.

Furthermore, according to Article 238 A of the French *Code Général des Impôts*, interest and other revenues on such Notes will not be deductible from the Issuer's taxable income, if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid in such a Non-Cooperative State. Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Article 109 of the French *Code Général des Impôts*, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* 2 of the French *Code Général des Impôts*, at a rate of 30% or 55% (subject to the more favourable provisions of any applicable double tax treaty).

Notwithstanding the foregoing, neither the 50% 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 the Issuer can prove that the principal purpose and effect of such issue of Notes were not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the “**Exception**”). Pursuant to the administrative guidelines (*instruction*) (14 A-5-12) of the *Direction générale des finances publiques* dated 27 April 2012, the Issuer shall (i) as for the purpose of the issue of Notes, demonstrate that its main intention at the date of such issue of Notes was not to locate profits in a Non-Cooperative State and (ii) as for the effect of the issue of Notes, evidence that the main effect of such issue is not tax-related, by providing tangible and quantitative elements that enable an impartial comparison between (x) the benefits resulting from tax effects derived from the payment of interest, or the location of the persons to which they are paid or accrued, in a Non-Cooperative State and (y) those related to effects of another nature. However, pursuant to the ruling (*rescrit*) no. 2010/11 (FP and FE) of the French tax authorities dated 22 February 2010 as confirmed by the administrative guidelines (14 A-5-12) of the *Direction générale des finances publiques* dated 27 April 2012,

an issue of Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of such issue of Notes, if such Notes are:

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

**Notes issued before 1 March 2010 and Notes which are assimilated to (*assimilables* for the purpose of French law) Notes issued before 1 March 2010**

Payments of interest and other revenues with respect to (i) Notes issued (or deemed issued) outside France as provided under Article 131 *quater* of the French *Code Général des Impôts*, before 1 March 2010 and (ii) Notes which are assimilated to (*assimilables* for the purpose of French law), and form a single series with, such Notes referred to under (i) above, will continue to be exempt from the withholding tax set out under Article 125 A III of the French *Code Général des Impôts*.

Notes issued before 1 March 2010, whether denominated in Euro or in any other currency, and constituting obligations under French law, or *titres de créance négociables* within the meaning of rulings (*rescrits*) no. 2007/59 (FP) and no. 2009/23 (FP) of the French tax authorities dated 8 January 2008 and 7 April 2009, respectively, or other debt securities issued under French or foreign law and considered by the French tax authorities as falling into similar categories, are deemed to be issued outside the Republic of France for the purpose of Article 131 *quater* of the French *Code Général des Impôts*, in accordance with Circular 5 I-11-98 of the French tax authorities dated 30 September 1998 and the aforementioned rulings (*rescrits*) no. 2007/59 (FP) and no. 2009/23 (FP).

In addition, interest and other revenues paid by the Issuer on Notes issued before 1 March 2010 (or Notes issued after 1 March 2010 and which are to be assimilated to (*assimilables* for the purpose of French law), and form a single series with, Notes issued before 1 March 2010) will be subject neither to the non-deductibility set out under Article 238 A of the French *Code Général des Impôts* nor to the withholding tax set out in Article 119 *bis* 2 of the French *Code Général des Impôts* solely on account of their being paid in a Non-Cooperative State or accrued or paid to persons established or domiciled in a Non-Cooperative State.

See “Terms and Conditions of the Notes - Taxation”.

**HONG-KONG**

The following is a summary of certain Hong Kong tax considerations relating to the purchase, ownership and disposition of the Notes by a beneficial owner of the Notes. This summary 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.

This summary is for general information only and does not address all of the Hong Kong tax considerations that may be relevant to specific holders in light of their particular circumstances.

#### *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 the assessable profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Under the Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong) (the “**Inland Revenue Ordinance**”), interest on the Notes may be deemed to be profits arising in or derived from Hong Kong from a trade, professional or business carried on in Hong Kong and be subject to profits tax in the following circumstances:

- (a) interest on the Notes is derived from Hong Kong and is received by or accrued to a corporation, 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 accrued to a person, other than a corporation, 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 accrued to a financial institution (as defined in the Inland Revenue Ordinance) and arises through or from the carrying on by the financial institution of its business in Hong Kong, notwithstanding that the moneys in respect of which the interest is received or accrued are made available outside Hong Kong.

Any capital gains from the sale of the Notes will not be subject to taxes in Hong Kong, except that Hong Kong profits tax may be chargeable in the case of owners of Notes who carry on a trade, profession or business in Hong Kong and such gains form part of the revenue or profits of such trade, profession or business.

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

#### *Estate Duty*

No estate duty is payable in respect of Notes in Hong Kong.

#### *Capital gains tax*

There is no capital gains tax in Hong Kong and no capital gains tax is chargeable or payable on the transfer or disposal of the Notes.

### **PEOPLE'S REPUBLIC OF CHINA**

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

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

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

## SUBSCRIPTION AND SALE

### Summary of Amended and Restated Dealer Agreement

Subject to the terms and on the conditions contained in an amended and restated dealer agreement dated 19 June 2012 (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

#### Public Offer Selling Restriction under the Prospectus Directive

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

In relation to each Member State of the European Economic Area which has implemented the Directive 2003/71/EC (the “**Prospectus Directive**”) (each, a “**Relevant Member State**”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”), it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Debt Issuance Programme Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (i) if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a “**Non-exempt Offer**”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and

ending on the dates specified in such prospectus or final terms and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

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

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

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

#### **France**

Each Dealer has represented and agreed that:

**(a) Offer to the public in France:**

it has only made and will only make an offer of Notes to the public in France in the period beginning on the date of notification to the *Autorité des marchés financiers* (“**AMF**”) of the approval of the prospectus relating to those Notes by the competent authority of a Member State of the European Economic Area, other than the AMF, which has implemented the Prospectus Directive, all in accordance with Articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and the *Règlement général* of the AMF, and ending at the latest on the date which is 12 months after the date of the approval of the Debt Issuance Programme Prospectus; or

**(b) Private Placement in France:**

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 to D.411-3 of the French *Code monétaire et financier*.

If necessary, these selling restrictions will be amended in the relevant Final Terms.

## United States

The Notes have not been and will not be registered under the U.S. Securities Act of 1933 (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 that, except as permitted by the Amended and Restated Dealer Agreement, it will not offer, sell or deliver the Notes of any identifiable Tranche, (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche as determined, and certified to the 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 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 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 any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the 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 such Notes in, from or otherwise involving the United Kingdom.

## Japan

The Notes have not been and will not be registered under the the Financial Instruments and Exchange Act of Japan (the “**Financial Instruments and Exchange Act**”). Accordingly, each of the Dealers has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, a resident of Japan (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 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 (as defined in Section 275(2) of the SFA) pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

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

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

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

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

### **General**

These selling restrictions may be modified by the agreement of 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 the Final Terms issued in respect of the issue of Notes to which it relates or in a supplement to this Debt Issuance Programme Prospectus.

Unless otherwise specified in the Final Terms, 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 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**

**FORM OF FINAL TERMS FOR USE IN CONNECTION WITH ISSUES OF NOTES WITH A DENOMINATION OF LESS THAN [€50,000/€100,000]<sup>1</sup> TO BE ADMITTED TO TRADING ON A REGULATED MARKET OR REGULATED MARKETS AND/OR OFFERED TO THE PUBLIC IN THE EUROPEAN ECONOMIC AREA**

**Final Terms dated [•]**

[LOGO, if document is printed]

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**L’Air Liquide**

**Air Liquide Finance**

Euro 6,000,000,000

Euro Medium Term Note Programme

for the issue of Notes

Due from one month from the date of original issue

**SERIES NO: [•]**

**TRANCHE NO: [•]**

**[Brief description and Amount of Notes]**

**Issued by: L’Air Liquide (the “Issuer”)**

[Name(s) of Dealer(s)]

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<sup>1</sup> This form of Final Terms is to be used for Notes with a denomination of less than €100,000, if the 2010 PD Amending Directive (as defined below) has been implemented in the relevant Member State.

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Debt Issuance Programme Prospectus dated [•] [and the supplement[s] to the Debt Issuance Programme Prospectus dated [•] which [together] constitute[s] a Debt Issuance Programme Prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) [as amended by the 2010 PD Amending Directive (Directive 2010/73/EU)] (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 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 [as so supplemented]. 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. The Final Terms 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)) and copies may be obtained from L’Air Liquide, 75, quai d’Orsay, 75007 Paris, France.

*The following alternative language applies if the first tranche of an issue which is being increased was issued under [a Debt Issuance Programme Prospectus, a Prospectus or an Offering Circular] with an earlier date.*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the [Debt Issuance Programme Prospectus/Prospectus or the Offering Circular, in case of transitional phase] dated [original date] [and the supplement[s] to the Debt Issuance Programme Prospectus] dated [•]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) [as amended by the 2010 PD Amending Directive (Directive 2010/73/EU)] (the “**Prospectus Directive**”) and must be read in conjunction with the Debt Issuance Programme Prospectus dated [current date] [and the supplement[s] to the Debt Issuance Programme Prospectus dated [•], which [together] constitute[s] a Debt Issuance Programme Prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the [Debt Issuance Programme Prospectus/Prospectus or the Offering Circular] dated [original date] [and the supplement[s] to the Debt Issuance Programme Prospectus] dated [•] and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the [Debt Issuance Programme Prospectus/Prospectus or the Offering Circular] dated [original date] and the Debt Issuance Programme Prospectus dated [current date] [and the supplement[s] to the Debt Issuance Programme Prospectus dated [•]]. The Debt Issuance Programme Prospectus/Prospectus or Offering Circular] [and the supplement[s] to the Debt Issuance Programme Prospectus 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) and (b) the Issuer (www.airliquide.com) and copies may be obtained from L’Air Liquide, 75, quai d’Orsay, 75007 Paris, France].

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

*[When adding any other final terms or information at, for example, items 9, 10, 15, 16, 17 or 33 of Part A or in relation to disclosure relating to the interests of natural and legal persons involved in the issue/offer in Part B consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive, the publication of which would in turn trigger the investors' right to withdraw their acceptances within a 48 hour time period.]*

- |   |  |                |
|---|--|----------------|
| 1 | (i) Issuer:  | L’Air Liquide  |
|   | (ii) Guarantor:  | Not Applicable |
| 2 | (i) Series Number:   | [•]            |
|   | (ii) [Tranche Number:  | [•]            |
|   | <i>(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible.)</i> |                |
| 3 | Specified Currency or Currencies:  | [•]            |
| 4 | Aggregate Nominal Amount:  |                |
|   | (i) Series:  | [•]            |
|   | (ii) Tranche:  | [•]            |

5	Issue Price:	[•] per cent. of the Aggregate Nominal Amount [plus accrued interest from <i>[insert date]</i> ( <i>in the case of fungible issues only, if applicable</i> )]
6	Specified Denomination(s): <sup>2</sup>	[•] ( <i>one denomination only for Dematerialised Notes</i> )
7	(i) Issue Date:	[•]
	(ii) [Interest Commencement Date:	[•]]
8	Maturity Date:	<i>[specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]</i>
9	Interest Basis:	[[•] per cent. Fixed Rate] [[ <i>specify reference rate</i> ] +/- [•] per cent. Floating Rate] [Zero Coupon] [Index Linked Interest] [Other ( <i>specify</i> )] [(further particulars specified below)]
10	Redemption/Payment Basis:**	[Redemption at par] [Index Linked Redemption] [Dual Currency] [Partly-Paid] [Instalment] [Other ( <i>specify</i> )]
11	Change of Interest or Redemption/Payment Basis:	<i>[Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis]</i>
12	Put/Call Options:	[Issuer Call] [Investor Put] [(further particulars specified below)]
13	(i) Status of the Notes:	[Subordinated/Unsubordinated Notes]
	(ii) Status of the Guarantee:	[Not Applicable/Unsubordinated]
	(iii) Dates of the corporate authorisations for	[decision of the Board of Directors of L'Air Liquide]

<sup>2</sup> Notes (including Notes denominated in Sterling) 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 and which have a maturity of less than one year must (a) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be sold only to “professional investors” (or another application exemption from section 19 of the FSMA must be available) and (b) provide that no part of any such Notes may be transferred unless the redemption value of that part is not less than £100,000 (or its equivalent in other currencies).

\*\* If the Final Redemption Amount is not 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

issuance of the Notes:

dated [•] [and of [•] [function] dated [•]]<sup>3</sup>

14 Method of distribution: [Syndicated/Non-syndicated]

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

15 Fixed Rate Note Provisions [Applicable/Not Applicable]

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

(i) Rate [(s)] of Interest: [•] per cent. per annum [payable [annually/semi-annually/quarterly/ monthly] in arrear

(ii) Interest Payment Date(s): [•] in each year [adjusted in accordance with [the Business Day Convention specified below<sup>4</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: [*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)): [•]

*[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)): [•] 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*]<sup>5</sup>

(vii) [Business Day Convention<sup>6</sup>]: [Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]

(viii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/*give details*]

(ix) [Party responsible for calculating Interest Amounts (if not the Calculation Agent)<sup>7</sup>]: [•] / [Not Applicable]

<sup>3</sup> Relevant for issues of Notes constituting *obligations* under French law.

<sup>4</sup> RMB Notes only

<sup>5</sup> Only to be completed for an issue denominated in euro where Day Count Fraction is Actual/Actual-ICMA.

<sup>6</sup> RMB Notes only

<sup>7</sup> RMB Notes only

16	Floating Rate Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Interest Period(s):	[•]
	(ii) Specified Interest Payment Dates:	[•]
	(iii) Business Day Convention:	[Floating Rate Business Day Convention /Following Business Day Convention /Modified Following Business Day Convention/Preceding Business Day Convention/other <i>(give details)</i> ]
	(iv) Business Centre(s) (Condition 6(a)):	[•]
	(v) Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination/other <i>(give details)</i> ]
	(vi) Party responsible for calculating the Rates(s) of Interest and Interest Amount(s) (if not the Calculation Agent):	[•]
	(vii) Screen Rate Determination (Condition 6(c)(iii)(B)):	
	- Reference Rate:	[•]
	- Interest Determination Date:	[[•] [TARGET] Business Days in [specify city] for [specify currency] prior to [the first day in each Interest Accrual Period/each Interest Payment Date]]
	- Relevant Screen Page:	[The financial centre most closely connected to the Benchmark - specify if not [London]]  [Specify if screen or Reference Bank quotations are to be given in respect of a transaction of a specified notional amount]  [Specify if quotations are not to be obtained with effect from commencement of Interest Accrual Period]
	(viii) ISDA Determination (Condition 6(c)(iii)(A)):	
	- Floating Rate Option:	[•] <i>(specify Benchmark and months e.g. EURIBOR 3 months)</i>
	- Designated Maturity:	[•]
	- Reset Date:	[•]
	(ix) Margin(s):	[+/-] [•] per cent. per annum
	(x) Minimum Rate of Interest:	[•] per cent. per annum
	(xi) Maximum Rate of Interest:	[•] per cent. per annum
	(xii) Day Count Fraction (Condition 6(a)):	[•]



	(xiii) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[•]
17	Zero Coupon Note Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub paragraphs of this paragraph)</i>
	(i) [Amortisation/Accrual] Yield (Condition 7(e)(i)):	[•] per cent. per annum
	(ii) Day Count Fraction (Condition 6(a)):	[•]
	(iii) Any other formula/basis of determining amount payable:	[•]
18	Index Linked Interest Note Provisions/other variable-linked interest Note Provisions:	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub paragraphs of this paragraph)</i>
	(i) Index/Formula/ [other variable]:	[Give or annex details]
	(ii) Calculation Agent responsible for calculating the interest due:	[•]
	(iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula [and/or other variable]:	[•]
	(iv) Determination Date(s):	[•]
	(v) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	[•] <i>(Need to include a description of market disruption or settlement disruption events and adjustment provisions)</i>
	(vi) Interest [or Calculation] Period(s):	[•]
	(vii) Specified Interest Payment Dates:	[•]
	(viii) Business Day Convention:	[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other <i>(give details)</i> ]
	(ix) Business Centre(s) (Condition 6(a)):	[•]
	(x) Minimum Rate [/Amount] of Interest:	[•] per cent. per annum
	(xi) Maximum Rate [/Amount] of Interest:	[•] per cent. per annum

	(xii) Day Count Fraction (Condition 6(a)):	[•]
19	Dual Currency Note Provisions **	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub paragraphs of this paragraph)</i>
	(i) Rate of Exchange/Method of calculating Rate of Exchange:	[Give details]
	(ii) Calculation Agent, if any, responsible for calculating the principal and/or interest due:	[•]
	(iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable or otherwise disrupted:	[•]
	(iv) Person at whose option Specified Currency(-ies) is/are payable:	[•]

**PROVISIONS RELATING TO REDEMPTION**

20	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 and method, if any, of calculation of such amount(s):	[•] per Note of [•] Specified Denomination
	(iii) If redeemable in part:	
	(a) Minimum nominal amount to be redeemed:	[•]
	(b) Maximum nominal amount to be redeemed:	[•]
	(iv) Notice period <sup>8</sup> :	[•]
21	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 and method, if any, of calculation of such amount(s):	[•] per Note of [•] Specified Denomination

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\*\* If the Final Redemption Amount is not 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus EU Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

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

	(iii) Notice period <sup>9</sup> :	[•]
22	Final Redemption Amount of each Note	[[•] per Note of [•] Specified Denomination/Other/See Appendix]
23	Early Redemption Amount	
	(i) Early Redemption Amount(s) of each Note payable on redemption for taxation reasons (Condition 7(f)), for illegality (Condition 7(j)) or an event of default (Condition 10 and/or the method of calculating the same (if required or if different from that set out in the Conditions):	[•]
	(ii) Redemption for taxation reasons permitted on days others than Interest Payment Dates (Condition 7(f)):	[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

24	Form of Notes:	[Dematerialised Notes/ Materialised Notes] <i>(Materialised Notes are only in bearer form)</i> <i>[Delete as appropriate]</i>
	(i) Form of Dematerialised Notes:	[Not Applicable/Bearer dematerialised form <i>(au porteur) only / Registered dematerialised form (au nominatif)]</i>
	(ii) Registration Agent :	[Not Applicable/if Applicable give name and details] <i>(Note that a Registration Agent must be appointed in relation to Registered Dematerialised Notes only)</i>
	(iii) Temporary Global Certificate:	Temporary Global Certificate exchangeable for Definitive Materialised Bearer Notes on [•] (the “ <b>Exchange Date</b> ”), being 40 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] <i>(Only applicable to Materialised Notes)</i>
25	Financial Centre(s) (Condition 8(h)) or other special provisions relating to payment dates:	[Not Applicable/Give details <i>(Note that this item relates to the date and place of payment, and not interest period end dates, to which items 17(ii), 18(iv) and 20(vii) relate)</i> ]

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<sup>9</sup> If setting notice periods which are different to those provided in the terms and conditions, issuers are advised to consider the practicalities of distribution of information through intermediaries, for example clearing systems, as well as any other notice requirements which may apply, for example as between the issuer and its fiscal agent.

26	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No/Not Applicable. <i>If yes, give details</i> ] ( <i>Only applicable to Materialised Notes</i> )
27	Details relating to Partly-Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay:	[Not Applicable/ <i>give details</i> ]
28	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	[Not Applicable/ <i>give details</i> ]
	(i) (i) Instalment Amount(s):	[•]
	(ii) (ii) Instalment Date(s):	[•]
29	Redenomination, renominisation and reconventioning provisions:	[Not Applicable/The provisions [in Condition 1(d)] [annexed to these Final Terms]apply]
30	Consolidation provisions:	[Not Applicable/The provisions in Condition 15(b) apply] [annexed to these Final Terms] apply]
31	<i>Masse</i> (Condition 12):	[Applicable/Not Applicable/Condition 12 replaced by the full provisions of French <i>Code de commerce</i> relating to the <i>Masse</i> ]( <i>Note that: (i) in respect of any Tranche of Notes issued outside France, Condition 12 may be waived, amended or supplemented, and (ii) in respect of any Tranche of Notes issued inside France, Condition 12 must be waived in its entirety and replaced by the provisions of French Code de commerce relating to the Masse. If Condition 12 (as it may be amended or supplemented) applies or if the full provisions of French Code de commerce apply, insert details of Representative and Alternative Representative and remuneration, if any).</i> )
32	Other terms or special conditions:	[Not Applicable/ <i>give details</i> ] ( <i>When adding any other final terms consideration should be given as to whether such terms constitute a "significant new factor" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.</i> )
33	[Any applicable currency disruption/fallback provisions: <sup>10</sup>	[Not Applicable/ <i>give details</i> ]

**DISTRIBUTION**

34	(i) If syndicated, names of Managers:	Not Applicable/ <i>give names, addresses and underwriting commitments</i> ( <i>Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place</i>
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<sup>10</sup> In respect of RMB Notes, consider insertion of Payment in US Dollar Equivalent provision.

*the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.)*

- (ii) Date of subscription agreement (if any): [•]
- (iii) Stabilising Manager(s) (if any): [Not Applicable/give name]
- (iv) Dealer's Commission: [•]
- 35 If non-syndicated, name of Dealer: [Not Applicable/give name]
- 36 Total commission and concession: [•] per cent. of the Aggregate Nominal Amount per cent. of the Aggregate Nominal Amount
- 37 Additional selling restrictions: [Not Applicable/give details]

### **GENERAL**

- 38 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)*

### **[LISTING AND ADMISSION TO TRADING APPLICATION**

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the Euro 6,000,000,000 Euro Medium Term Note Programme of L'Air Liquide and Air Liquide Finance.]

### **RESPONSIBILITY**

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

Signed on behalf of the Issuer:

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

## PART B – OTHER INFORMATION

### 1 RISK FACTORS

*[[Insert any issue specific risk factors that are material to the Notes being offered and/or admitted to trading in order to assess the market risk associated with these Notes and that may affect the Issuer's ability to fulfil its obligations under the Notes which are not covered under "Risk Factors" in the Debt Issuance Programme Prospectus. If any such additional risk factors need to be included consideration should be given as to whether they constitute significant new factors" and consequently trigger the need for a supplement to the Debt Issuance Programme Prospectus under Article 16 of the Prospectus Directive.] |Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information.]\*]*

### 2 LISTING AND ADMISSION TO TRADING

- (i) Listing: [Luxembourg/other (*specify*)/None]
- (ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on [•]with effect from [•].] [Not Applicable.]
- (iii) Estimate of total expenses related to admission to trading: [•]
- (iv) 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: [•]

### 3 PUBLIC OFFER(S)

- (i) Public Offer(s): [Yes/Not Applicable]
- (ii) Member State(s): [The Notes will be offered to the public in [•] (*insert any Member State of the European Economic Area where the Notes will be offered to the public/Not Applicable*)]
- (iii) Time period, including any possible amendments, during which the offer will be open and description of the applicable process [[•]/Not Applicable]
- (iv) Description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by [[•]/Not Applicable]

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\* Required for derivative securities to which Annex 12 to the Prospectus Directive Regulation applies. See footnote \*\* below.

\*\* If the Final Redemption Amount is not 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

applicants

- (v) Details of the minimum and/or maximum amount of application, (whether in number of securities or aggregate amount to invest) [[●]/Not Applicable]
- (vi) Method and time limits for paying up the securities and for delivery of the securities [[●]/Not Applicable]
- (vii) Full description of the manner and date in which results of the offer are to be made public [[●]/Not Applicable]
- (viii) Procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised [[●]/Not Applicable]
- (ix) Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made [[●]/Not Applicable]

#### 4 PLAN OF DISTRIBUTION AND ALLOTMENT

- (i) The various categories of potential investors to which the securities are offered. If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been or is being reserved for certain of these, indicate any such tranche. [none/specify details]
- (ii) Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made [none/specify details]

#### 5 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 by Regulation (EU) No. 513/2011, although the result of such applications has not been determined.]

[[Each of [S & P] [[and] Moody's] is established in the European Union and registered under Regulation (EC) No 1060/2009 (the "CRA Regulation") as amended by Regulation (EU) No. 513/2011. As such, each of [S&P] and [Moody's] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.]

[[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 by Regulation (EU) No. 513/2011.]

*[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]*

(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.)

## 6 [NOTIFICATION]

The *Commission de surveillance du secteur financier* in Luxembourg [has been requested to provide/has provided - include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues] the [include names of competent authorities of host Member States] with a certificate of approval attesting that the Debt Issuance Programme Prospectus has been drawn up in accordance with the Prospectus Directive.]

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

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

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

## 8 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

[(i) Reasons for the offer:

[•]

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

[(ii)] Estimated net proceeds:

[•]

(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

[(iii)] Estimated total expenses:

[•] [Include breakdown of expenses.]

(If the Notes are derivative securities to which Annex 12 of the Prospectus EU Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii)



above where disclosure is included at (i) above.)

**9 [Fixed Rate Notes only – YIELD**

Indication of yield:

[•]

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

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

**10 [Floating Rate Notes only - HISTORIC INTEREST RATES**

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

**11 [Index-Linked or other variable-linked Notes only – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**

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

**12 [Dual Currency Notes only – PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT**

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

**13 [Derivatives only – EXPLANATION OF EFFECT ON VALUE OF INVESTMENT, RETURN ON DERIVATIVES SECURITIES AND INFORMATION CONCERNING THE UNDERLYING\***

**EXPLANATION OF EFFECT ON VALUE OF INVESTMENT**

*Need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.*

**RETURN ON DERIVATIVES SECURITIES**

Return on derivative securities:

[Description of how any return on derivative securities takes place]

Payment or delivery date:

[•]

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\* Required for derivative securities to which Annex 12 to the Prospectus Directive Regulation applies. See footnote \*\* below.

\*\* If the Final Redemption Amount is not 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

Method of calculation: [•]

## INFORMATION CONCERNING THE UNDERLYING

- the exercise price or the final reference price of the underlying: [•]
  - a statement setting out the type of the underlying and details of where information on the underlying can be obtained: [•]
  - an indication where information about the past and the further performance of the underlying and its volatility can be obtained: [•]
  - where the underlying is a security: [Applicable/Not Applicable]
    - the name of the issuer of the security [•]
    - the ISIN (International Security Identification Number) or other such security identification code: [•]
  - where the underlying is an index: [Applicable/Not Applicable]
    - the name of the index and a description of the index if it is composed by the issuer. If the index is not composed by the issuer, where information about the index can be obtained: [•]
  - where the underlying is an interest rate: [Applicable/Not Applicable]
    - a description of the interest rate: [•]
  - others: [Applicable/Not Applicable]
    - where the underlying does not fall within the categories specified above the securities note shall contain equivalent information: [•]
  - where the underlying is a basket of underlyings: [Applicable/Not Applicable]
    - disclosure of the relevant weightings of each underlying in the basket: [•]
- A description of any market disruption or settlement disruption events that affect the underlying: [•]
- [Adjustment rules with relation to events concerning the underlying:]\* [•]

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\* Required for derivative securities to which Annex 12 to the Prospectus Directive Regulation applies. See footnote \*\* below.

\*\* If the Final Redemption Amount is not 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

- the Issuer does not intend to provide any post-issuance information in relation to the underlying unless otherwise require by applicable laws or regulations:

[•]

#### 14 OPERATIONAL INFORMATION

ISIN Code:

[•]

Common Code:

[•]

Depositories:

(i) Euroclear France to act as Central Depository:

[Yes/No]

(ii) Common Depository for Euroclear and Clearstream Luxembourg:

[Yes/No]

Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s):

[Not Applicable/*give name(s) and number(s)*]

Delivery:

Delivery [against/free of] payment

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

[•]

**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 [€50,000/€100,000]<sup>1</sup> TO BE ADMITTED TO TRADING ON A  
REGULATED MARKET**

**Final Terms dated [•]**

[LOGO, if document is printed]

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**L’Air Liquide  
Air Liquide Finance**

Euro 6,000,000,000  
Euro Medium Term Note Programme  
for the issue of Notes

Due from one month from the date of original issue

**SERIES NO: [•]**

**TRANCHE NO: [•]**

**[Brief description and Amount of Notes]**

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

**[Guaranteed by: L’Air Liquide (the “Guarantor”)]**

**[Name(s) of Dealer(s)]**

**PART A – CONTRACTUAL TERMS**

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<sup>1</sup> In relation to Notes issued by L’Air Liquide, this form of Final Terms is to be used for Notes with a denomination of at least €100,000 if the 2010 PD Amending Directive (as defined below) has been implemented in the relevant Member State. In relation to Notes issued by Air Liquide Finance, Notes shall have in all cases a minimum denomination of at least €100,000.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Debt Issuance Programme Prospectus dated [•] [and the supplement[s] to the Debt Issuance Programme Prospectus dated [•] which [together] constitute[s] a Debt Issuance Programme Prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) [as amended by the 2010 PD Amending Directive (Directive 2010/73/EU)] (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 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 Debt Issuance Programme Prospectus, a Prospectus or an Offering Circular] with an earlier date.*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) forth in the [Debt Issuance Programme Prospectus/Prospectus or the Offering Circular, in case of transitional phase] dated [original date] [and the supplement[s] to the Debt Issuance Programme Prospectus] dated [•]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) [as amended by the 2010 PD Amending Directive (Directive 2010/73/EU)] (the “**Prospectus Directive**”) and must be read in conjunction with the Debt Issuance Programme Prospectus dated [current date] [and the supplement[s] to the Debt Issuance Programme Prospectus dated [•], which [together] constitute[s] a Debt Issuance Programme Prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the [Debt Issuance Programme Prospectus/Prospectus or the Offering Circular] dated [original date] [and the supplement to the Debt Issuance Programme Prospectus] dated [•] and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the [Debt Issuance Programme Prospectus/Prospectus or the Offering Circular] dated [original date] and the Debt Issuance Programme Prospectus dated [current date] [and the supplement[s] to the Debt Issuance Programme Prospectus dated [•]]. The [Debt Issuance Programme Prospectus/Prospectus or the Offering Circular] [and the supplement[s] to the Debt Issuance Programme Prospectus 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) and (b) L’Air Liquide (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].

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

*[When adding any other final terms or information at, for example, items 9, 10, 15, 16, 17 or 33 of Part A or in relation to disclosure relating to the interests of natural and legal persons involved in the issue/offer in Part B consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive, the publication of which would in turn trigger the investors' right to withdraw their acceptances within a 48 hour time period.]*

- |   |  |                                       |
|---|--|---------------------------------------|
| 1 | (i) Issuer:  | [L’Air Liquide / Air Liquide Finance] |
|   | (ii) Guarantor:  | [Not Applicable / L’Air Liquide]      |
| 2 | (i) Series Number:   | [•]                                   |
|   | (ii) [Tranche Number:  | [•]                                   |
|   | <i>(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible.)</i> |                                       |
| 3 | Specified Currency or Currencies:  | [•]                                   |
| 4 | Aggregate Nominal Amount:  |                                       |
|   | (i) Series:  | [•]                                   |
|   | (ii) Tranche:  | [•]                                   |

5	Issue Price:	[•] per cent. of the Aggregate Nominal Amount [plus accrued interest from <i>[insert date]</i> ( <i>in the case of fungible issues only, if applicable</i> )]
6	Specified Denomination(s) <sup>2</sup> :	[•] ( <i>one denomination only for Dematerialised Notes</i> )
7	(i) Issue Date:	[•]
	(ii) Interest Commencement Date:	[•]
8	Maturity Date:	<i>[specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]</i>
9	Interest Basis:	[[•] per cent. Fixed Rate] [[specify reference rate] +/- [•] per cent. Floating Rate] [Zero Coupon] [Index Linked Interest] [Other ( <i>specify</i> )] [(further particulars specified below)]
10	Redemption/Payment Basis: **	[Redemption at par] [Index Linked Redemption] [Dual Currency] [Partly-Paid] [Instalment] [Other ( <i>specify</i> )]
11	Change of Interest or Redemption/Payment Basis:	<i>[Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis]</i>
12	Put/Call Options:	[Issuer Call] [Investor Put] [(further particulars specified below)]
13	(i) Status of the Notes:	[Subordinated/Unsubordinated Notes]
	(ii) Status of the Guarantee:	[Not Applicable/Unsubordinated]
	(iii) Dates of the corporate authorisations for	[decision of the Board of Directors of L’Air Liquide]

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<sup>2</sup> Notes (including Notes denominated in Sterling) 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 and which have a maturity of less than one year must (a) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be sold only to “professional investors” (or another application exemption from section 19 of the FSMA must be available) and (b) provide that no part of any such Notes may be transferred unless the redemption value of that part is not less than £100,000 (or its equivalent in other currencies).

\*\* If the Final Redemption Amount is not 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

	issuance of the Notes:	dated [•] [and of [•] [function] dated [•]] <sup>3</sup> /[decision of the <i>Conseil d'administration</i> of Air Liquide Finance dated [•] [and [•] [function] dated [•]] <sup>3</sup> /[decision of [•] [function] dated [•]] <sup>4</sup>
14	Method of distribution:	[Syndicated/Non-syndicated]

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

15	Fixed Rate Note Provisions	[Applicable/Not Applicable]  <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Rate [(s)] of Interest:	[•] per cent. per annum [payable [annually/semi-annually/quarterly/ monthly] in arrear
	(ii) Interest Payment Date(s):	[•] in each year [adjusted in accordance with [the Business Day Convention specified below <sup>5</sup> ] [ <i>specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"</i> ]/not adjusted.]
	(iii) Fixed Coupon Amount [(s)]:	[•] per [•] in nominal amount
	(iv) Broken Amounts:	<i>[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]</i>
	(v) Day Count Fraction (Condition 6(a)):	[•]  <i>[Day Count Fraction should be Actual/Actual-ICMA for all fixed rate issues other than those denominated in USD]</i>
	(vi) Determination Date(s) (Condition 6(a)):	[•] in each year. <i>[Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon]</i>
	(vii) [Business Day Convention <sup>6</sup> ]:	[Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
	(viii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	[Not Applicable/ <i>give details</i> ]
	(ix) [Party responsible for calculating Interest Amounts (if not the Calculation Agent) <sup>7</sup> ]:	[•] / [Not Applicable]

<sup>3</sup> Relevant for issues of Notes constituting *obligations* under French law.

<sup>4</sup> Only relevant for issues of Notes not constituting *obligations* under French law.

<sup>5</sup> RMB Notes only

<sup>6</sup> RMB Notes only



16	Floating Rate Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i>
	(i) Interest Period(s):	[•]
	(ii) Specified Interest Payment Dates:	[•]
	(iii) Business Day Convention:	[Floating Rate Business Day Convention /Following Business Day Convention /Modified Following Business Day Convention/Preceding Business Day Convention/other <i>(give details)</i> ]
	(iv) Business Centre(s) (Condition 6(a)):	[•]
	(v) Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ ISDA Determination/other <i>(give details)</i> ]
	(vi) Party responsible for calculating the Rates(s) of Interest and Interest Amount(s) (if not the Calculation Agent):	[•]
	(vii) Screen Rate Determination (Condition 6(c)(iii)(B)):	
	- Reference Rate:	[•]
	- Interest Determination Date:	[[•] [TARGET] Business Days in [specify city] for [specify currency] prior to [the first day in each Interest Accrual Period/each Interest Payment Date]]
	- Relevant Screen Page:	[The financial centre most closely connected to the Benchmark - specify if not [London]]  [Specify if screen or Reference Bank quotations are to be given in respect of a transaction of a specified notional amount]  [Specify if quotations are not to be obtained with effect from commencement of Interest Accrual Period]
	(viii) ISDA Determination (Condition 6(c)(iii)(A)):	
	- Floating Rate Option:	[•] <i>(specify Benchmark and months e.g. EURIBOR 3 months)</i>
	- Designated Maturity:	[•]
	- Reset Date:	[•]
	(ix) Margin(s):	[+/-] [•] per cent. per annum
	(x) Minimum Rate of Interest:	[•] per cent. per annum
	(xi) Maximum Rate of Interest:	[•] per cent. per annum
	(xii) Day Count Fraction (Condition 6(a)):	[•]

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<sup>7</sup> RMB Notes only

	(xiii) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[•]
17	Zero Coupon Note Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub paragraphs of this paragraph)</i>
	(i) [Amortisation/Accrual] Yield (Condition 7(e)(i)):	[•] per cent. per annum
	(ii) Day Count Fraction (Condition 6(a)):	[•]
	(iii) Any other formula/basis of determining amount payable:	[•]
18	Index Linked Interest Note Provisions/other variable-linked interest Note Provisions:	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub paragraphs of this paragraph)</i>
	(i) Index/Formula/ [other variable]:	[Give or annex details]
	(ii) Calculation Agent responsible for calculating the interest due:	[•]
	(iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula [and/or other variable]:	[•]
	(iv) Determination Date(s):	[•]
	(v) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	[•] <i>(Need to include a description of market disruption or settlement disruption events and adjustment provisions)</i>
	(vi) Interest [or Calculation] Period(s):	[•]
	(vii) Specified Interest Payment Dates:	
	(viii) Business Day Convention:	[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other <i>(give details)</i> ]
	(ix) Business Centre(s) (Condition 6(a)):	[•]
	(x) Minimum Rate [/Amount] of Interest:	[•] per cent. per annum
	(xi) Maximum Rate [/Amount] of Interest:	[•] per cent. per annum
	(xii) Day Count Fraction (Condition 6(a)):	[•]

19	Dual Currency Note Provisions **	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub paragraphs of this paragraph)</i>
	(i) Rate of Exchange/Method of calculating Rate of Exchange:	[Give details]
	(ii) Calculation Agent, if any, responsible for calculating the principal and/or interest due:	[•]
	(iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable or otherwise disrupted:	[•]
	(iv) Person at whose option Specified Currency(-ies) is/are payable:	[•]

**PROVISIONS RELATING TO REDEMPTION**

20	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 and method, if any, of calculation of such amount(s):	[•] per Note of [•] Specified Denomination
	(iii) If redeemable in part:	
	(a) Minimum nominal amount to be redeemed:	[•]
	(b) Maximum nominal amount to be redeemed:	[•]
	(iv) Notice period <sup>8</sup> :	[•]
21	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 and method, if any, of calculation of such amount(s):	[•] per Note of [•] Specified Denomination
	(iii) Notice period <sup>9</sup> :	[•]

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\*\* If the Final Redemption Amount is not 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus EU Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

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

22	Final Redemption Amount of each Note	[[●] per Note of [●] Specified Denomination/Other/See Appendix]
23	Early Redemption Amount	
	(i) Early Redemption Amount(s) of each Note payable on redemption for taxation reasons (Condition 7(f)), for illegality (Condition 7(j)) or an event of default (Condition 10 and/or the method of calculating the same (if required or if different from that set out in the Conditions):	[●]
	(ii) Redemption for taxation reasons permitted on days others than Interest Payment Dates (Condition 7(f)):	[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

24	Form of Notes:	[Dematerialised Notes/ Materialised Notes] <i>(Materialised Notes are only in bearer form)</i> <i>[Delete as appropriate]</i>
	(i) Form of Dematerialised Notes:	[Not Applicable/Bearer dematerialised form <i>(au porteur) only / Registered dematerialised form (au nominatif)]</i>
	(ii) Registration Agent:	[Not Applicable/ <i>if Applicable give name and details</i> ] <i>(Note that a Registration Agent must be appointed in relation to Registered Dematerialised Notes only)</i>
	(iii) Temporary Global Certificate:	Temporary Global Certificate exchangeable for Definitive Materialised Bearer Notes on [●] (the “Exchange Date”), being 40 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] <i>(Only applicable to Materialised Notes)</i>
25	Financial Centre(s) (Condition 8(h)) or other special provisions relating to payment dates:	[Not Applicable/ <i>Give details (Note that this item relates to the date and place of payment, and not interest period end dates, to which items 17(ii), 18(iv) and 20(vii) relate)</i> ]

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<sup>9</sup> If setting notice periods which are different to those provided in the terms and conditions, issuers are advised to consider the practicalities of distribution of information through intermediaries, for example clearing systems, as well as any other notice requirements which may apply, for example as between the issuer and its fiscal agent.

26	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No/Not Applicable. <i>If yes, give details</i> ] ( <i>Only applicable to Materialised Notes</i> )
27	Details relating to Partly-Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay:	[Not Applicable/ <i>give details</i> ]
28	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	[Not Applicable/ <i>give details</i> ]
	(i) Instalment Amount(s):	[•]
	(ii) Instalment Date(s):	[•]
29	Redenomination, renominatisation and reconventioning provisions:	[Not Applicable/The provisions [in Condition 1(d)] [annexed to these Final Terms] apply]
30	Consolidation provisions:	[Not Applicable/The provisions in Condition 15(b) apply] [annexed to these Final Terms] apply]
31	<i>Masse</i> (Condition 12):	[Applicable/Not Applicable/Condition 12 replaced by the full provisions of French <i>Code de commerce</i> relating to the <i>Masse</i> ] ( <i>Note that: (i) in respect of any Tranche of Notes issued outside France, Condition 12 may be waived, amended or supplemented, and (ii) in respect of any Tranche of Notes issued inside France, Condition 12 must be waived in its entirety and replaced by the provisions of French Code de commerce relating to the Masse. If Condition 12 (as it may be amended or supplemented) applies or if the full provisions of French Code de commerce apply, insert details of Representative and Alternative Representative and remuneration, if any).</i> )
32	Other terms or special conditions:	[Not Applicable/ <i>give details</i> ] ( <i>When adding any other final terms consideration should be given as to whether such terms constitute a "significant new factor" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.</i> )
33	[Any applicable currency disruption/fallback provisions: <sup>10</sup>	[Not Applicable/ <i>give details</i> ]

## DISTRIBUTION

34	(i) If syndicated, names of Managers:	Not Applicable/ <i>give names, addresses and underwriting commitments</i> ( <i>Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and</i>
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<sup>10</sup> In respect of RMB Notes, consider insertion of Payment in US Dollar Equivalent provision.

*names and addresses 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.)*

- (ii) Date of subscription agreement (if any): [●]
- (iii) Stabilising Manager(s) (if any): [Not Applicable/give name]
- (iv) Dealer's Commission: [●]
- 35 If non-syndicated, name of Dealer: [Not Applicable/give name]
- 36 Total commission and concession: [●] per cent. of the Aggregate Nominal Amount per cent. of the Aggregate Nominal Amount
- 37 Additional selling restrictions: [Not Applicable/give details]

#### **GENERAL**

- 38 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)*

#### **[LISTING AND ADMISSION TO TRADING APPLICATION**

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the Euro 6,000,000,000 Euro Medium Term Note Programme of L'Air Liquide and Air Liquide Finance.]

#### **RESPONSIBILITY**

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

[[Insert any issue specific risk factors that are material to the Notes being offered and/or admitted to trading in order to assess the market risk associated with these Notes and that may affect the Issuer's ability to fulfil its obligations under the Notes which are not covered under "Risk Factors" in the Debt Issuance Programme Prospectus. If any such additional risk factors need to be included consideration should be given as to whether they constitute "significant new factors" and consequently trigger the need for a supplement to the Debt Issuance Programme Prospectus under Article 16 of the Prospectus Directive.] [Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information.]\*]

### 2 LISTING AND ADMISSION TO TRADING

- (i) Listing: [Luxembourg/other (*specify*)/None]
- (ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on [•] with effect from [•].] [Not Applicable.]
- (iii) Estimate of total expenses related to admission to trading: [•]
- (iv) 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: [•]

### 3 PLAN OF DISTRIBUTION AND ALLOTMENT

- (i) The various categories of potential investors to which the securities are offered. If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been or is being reserved for certain of these, indicate any such tranche. [none/specify details]
- (ii) Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made [none/specify details]

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\* Required for derivative securities to which Annex 12 to the Prospectus Directive Regulation applies. See footnote \*\* below.

\*\* If the Final Redemption Amount is not 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

#### 4 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 by Regulation (EU) No. 513/2011, although the result of such applications has not been determined.]

[[Each of] [S & P] [[and] Moody's] is established in the European Union and registered under Regulation (EC) No 1060/2009 (the "**CRA Regulation**") as amended by Regulation (EU) No. 513/2011. As such, each of [S&P] and [Moody's] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.]

[[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 by Regulation (EU) No. 513/2011.]

*(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.)*

#### 5 [NOTIFICATION]

The *Commission de surveillance du secteur financier* in Luxembourg [has been requested to provide/has provided - include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues] the [include names of competent authorities of host Member States] with a certificate of approval attesting that the Debt Issuance Programme Prospectus has been drawn up in accordance with the Prospectus Directive.]

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

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

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



## 7 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES\*

- [(i) Reasons for the offer:                    **[•]**  
*(See "Use of Proceeds" wording in Debt Issuance Programme Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)]*
- [(ii) Estimated net proceeds:                **[•]**  
*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*
- [(iii) Estimated total expenses:            **[•]** *[Include breakdown of expenses.]*  
*(Only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)*

## 8 *[Fixed Rate Notes only – YIELD*

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

## 9 *[Index-Linked or other variable-linked Notes only – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING*

*Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained. [Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information.]\**

## 10 *[Dual Currency Notes only – PERFORMANCE OF RATE[S] OF EXCHANGE*

*Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained.]\**

## 11 *[Derivatives only – EXPLANATION OF EFFECT ON VALUE OF INVESTMENT, rETURN ON DERIVATIVES SECURITIES AND INFORMATION CONCERNING THE UNDERLYING\**

### **EXPLANATION OF EFFECT ON VALUE OF INVESTMENT**

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\* Required for derivative securities to which Annex 12 to the Prospectus Directive Regulation applies. See footnote \*\* below.

\*\* If the Final Redemption Amount is not 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

\* Required for derivative securities to which Annex 12 to the Prospectus Directive Regulation applies. See footnote \*\* below.

\*\* If the Final Redemption Amount is not 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

*Need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.*

## **RETURN ON DERIVATIVES SECURITIES**

Return on derivative securities:	[Description of how any return on derivative securities takes place]
Payment or delivery date:	[•]
Method of calculation:	[•]

## **INFORMATION CONCERNING THE UNDERLYING**

- the exercise price or the final reference price of the underlying:	[•]
- an indication where information about the past and the further performance of the underlying and its volatility can be obtained:	[•]
- where the underlying is a security:	[Applicable/Not Applicable]
• the name of the issuer of the security	[•]
• the ISIN (International Security Identification Number) or other such security identification code:	[•]
- where the underlying is an index:	[Applicable/Not Applicable]
• the name of the index and a description of the index if it is composed by the issuer. If the index is not composed by the issuer, where information about the index can be obtained:	[•]
- where the underlying is an interest rate:	[Applicable/Not Applicable]
• a description of the interest rate:	[•]
- others:	[Applicable/Not Applicable]
- where the underlying does not fall within the categories specified above the securities note shall contain equivalent information:	[•]
- where the underlying is a basket of underlyings:	[Applicable/Not Applicable]
• disclosure of the relevant weightings of each underlying in the basket:	[•]
A description of any market disruption or settlement disruption events that affect the underlying:	[•]

[Adjustment rules with relation to events concerning the underlying:]\*

- the Issuer does not intend to provide any post-issuance information in relation to the underlying unless otherwise required by applicable laws or regulations.

## 12 OPERATIONAL INFORMATION

ISIN Code:

Common Code:

Depositories:

(i) Euroclear France to act as Central Depository:

(ii) Common Depository for Euroclear and Clearstream Luxembourg:

Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s):  [Not Applicable/give name(s) and number(s)]

Delivery:  Delivery [against/free of] payment

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

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\* Required for derivative securities to which Annex 12 to the Prospectus Directive Regulation applies. See footnote \*\* below.

\*\* If the Final Redemption Amount is not 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

## 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 or to be offered to the public in Luxembourg and/or in any 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 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) The establishment of the Programme was initially authorised by a decision of the *Conseil d'administration* of L'Air Liquide on 14 November 2000 and of Air Liquide Finance on 6 February 2001.
  - (b) 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 7 May 2008 authorised the *Conseil d'administration* to issue up to a maximum aggregate amount outstanding of €8 billion (such authority to expire on 7 May 2013). 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.
  - (c) On 9 May 2012, the *Conseil d'Administration* of L'Air Liquide has given its consent to issue *obligations* up to a maximum aggregate amount outstanding of € 6 billion and, delegated to its *Président Directeur Général*, Benoît Potier or to its *Directeur Général Délégué*, Pierre Dufour, all power to issue Notes up to a maximum aggregate amount outstanding of €6 billion and to determine their terms and conditions (such authority to expire on 7 May 2013).
  - (d) 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*. For this purpose, the *Conseil d'administration* of L'Air Liquide has on 9 May 2012 authorised the *Président Directeur Général*, Benoît Potier (with the power to sub-delegate) for and on behalf of L'Air Liquide to renew the Guarantee for the term of Notes issued by Air Liquide Finance up to a maximum principal amount of €6 billion. The Guarantee dated 17 July 2008 has been authorised by a resolution of the *Conseil d'administration* of L'Air Liquide on 7 May 2008 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 €6 billion.

- (e) Any issue of Notes constituting *obligations* by Air Liquide Finance must be authorised by a resolution of its *Conseil d'administration*. On 30 May 2012, the *Conseil d'administration* of Air Liquide Finance has given its consent to issue *obligations* up to a maximum aggregate amount outstanding of €6 billion 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 Notes up to a maximum aggregate amount outstanding of €6 billion 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 2012” and on page 75 in the section entitled “Business of Air Liquide Finance – Significant changes in the financial situation” 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 2011 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 2011.
- 4 Except as disclosed in this Debt Issuance Programme Prospectus on page 30, neither L’Air Liquide nor Air Liquide Finance is or has been involved in any litigation 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 at least 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 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 115, rue Réaumur, 75081 Paris Cedex 02, 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 accounts of the Guarantor for the two financial years ended 31 December 2011 and 2010 and the

audited non-consolidated accounts of Air Liquide Finance for each of the two years ended 31 December 2011 and 2010;

- (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; 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 annual report and non-consolidated and consolidated accounts of L'Air Liquide (including any published semi-annual consolidated accounts) (in English and French) (in each case as soon as they are published) and copies of the latest accounts of Air Liquide Finance (in French) may be obtained, 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** In respect of derivative securities as defined in Article 15.2 of Commission Regulation (EC) No. 809/2004, the Final Terms will indicate whether or not the relevant Issuer intends to provide post-issuance information concerning the underlying. If the relevant Issuer intends to report such information, the Final Terms will specify what information will be reported and where such information can be obtained.
- 13** Ernst & Young et Autres and Mazars have audited, and rendered unqualified audit reports on, the accounts of the Guarantor for the years ended 31 December 2011 and 31 December 2010. Ernst & Young et Autres have audited, and rendered an unqualified audit report on, the accounts of Air Liquide Finance for each of the two years ended 31 December 2011 and 31 December 2010.
- 14** Ernst & Young et Autres (1/2, place des Saisons, 92400 Courbevoie – Paris – La Défense 1) and Mazars have audited and rendered audit reports on the consolidated financial statements of Air Liquide Group for the years ended 31 December 2011 and 31 December 2010. All entities are regulated by the *Haut Conseil du Commissariat aux Comptes* and duly authorised as *Commissaires aux comptes*.
- 15** L'Air Liquide's statutory auditors audit the annual accounts and review the semi-annual accounts but they do not audit or review the quarterly accounts. L'Air Liquide's first quarter 2012 consolidated sales, which are mentioned in this Debt Issuance Programme Prospectus, were not audited or reviewed by its statutory auditors.

**Issuer and Guarantor****L'AIR LIQUIDE**

75, quai d'Orsay  
75007 Paris  
France

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

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**Arranger****BNP PARIBAS**

10 Harewood Avenue  
London NW1 6AA  
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**Dealers****Barclays Bank PLC**

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**BNP PARIBAS**

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**Citigroup Global Markets Limited**

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**Crédit Agricole Corporate and Investment Bank**

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**HSBC France**

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London EC2Y 5AJ  
United Kingdom

**Mitsubishi UFJ Securities International plc**

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**SMBC Nikko Capital Markets Limited**

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United Kingdom

**Société Générale**

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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

**Auditors to L’AIR LIQUIDE**

**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

**Auditors to AIR LIQUIDE FINANCE**

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

**Legal Advisers**

**To the Issuers**

*As to French law*

**Latham & Watkins**  
53, quai d’Orsay  
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**To the Dealers**

*As to French law*

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