

SECOND SUPPLEMENT DATED 28 SEPTEMBER 2010
TO THE BASE PROSPECTUS DATED 8 JUNE 2010



Peugeot S.A.

(A *société anonyme* established under the laws of the Republic of France)

€5,000,000,000 Euro Medium Term Note Programme

This second supplement (the "**Second Prospectus Supplement**") is supplemental to, and should be read in conjunction with, the Base Prospectus dated 8 June 2010 prepared in relation to the €5,000,000,000 Euro Medium Term Note Programme of Peugeot S.A. ("**PSA**" or the "**Issuer**") as supplemented by a first Prospectus Supplement dated 30 July 2010. The Base Prospectus as supplemented constitutes a base prospectus for the purpose of the Directive 2003/71/EC (the "**Prospectus Directive**"). The *Autorité des marchés financiers* (the "**AMF**") has granted visa n°. 10-165 on 8 June 2010 on the Base Prospectus and visa n°10-285 on 30 July 2010 on the first prospectus Supplement.

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

This Second Prospectus Supplement constitutes a supplement to the Base Prospectus for the purposes of Article 16 of the Prospectus Directive and has been prepared for the purposes of incorporating recent events in connection with the Issuer. As a result, certain modifications to the section relating to the recent developments have been made.

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

Unless the context otherwise requires, terms defined in the Base Prospectus shall have the same meaning when used in this Second Prospectus Supplement.

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

Copies of this Second Prospectus Supplement (a) may be obtained, free of charge, at the registered office of the Issuer during normal business hours, (b) will be available on the website of the Issuer (www.psa-peugeot-citroen.com), (c) will be available on the website of the AMF (www.amf-france.org) and (d) will be available during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for collection at the offices of the Fiscal Agent and the Paying Agent(s) so long as any of the Notes are outstanding.

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

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RECENT DEVELOPMENTS

1) The section Recent Developments is supplemented by the following information:

On 23 September 2010, Standard & Poor's Rating Services revised its outlook on French automaker Peugeot SA (PSA) to stable from negative. Standard & Poor's Rating Services also affirmed their "BB+" long term and "B" short-term corporate credit ratings on Peugeot SA.

2) The section Recent Developments is also supplemented by the following press releases published by the Issuer on 10 and 21 September 2010.



Paris, September 10, 2010

PSA Peugeot Citroën to make today early repayment of €1 billion of the French State loan

PSA Peugeot Citroën to make today early repayment of €1 billion of the €3 billion French State loan advanced in April 2009.

The reimbursement will be made out of existing liquidity resources, permitting the Group to reduce gross debt and to realize significant interest expense savings.

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Wuhan, China – 21 September 2010

PSA Peugeot Citroën strengthens its partnership with Dongfeng Motors in China

- Objective: 5% market share in 2015
- A streamlined, more efficient governance structure
- 12 vehicle launches over the next five years
- 6 new engines
- Stop & Start vehicles in 2011, followed by the launch of full hybrids
- A third plant, to come on stream in 2013
- Ongoing development of dealership networks

Today in Wuhan, Philippe Varin, Chairman of the PSA Peugeot Citroën Managing Board, and Xu Ping, Chairman of the Dongfeng Motor Group Company Limited (DFM), announced that the two companies were strengthening their partnership through their Dongfeng Peugeot Citroën Automobiles (DPCA) joint venture.

The reinforced partnership will give the joint venture additional resources to speed its growth in the world's largest market. The new initiatives cover five key areas of the partnership:

- **A more effective governance system.** PSA Peugeot Citroën and DFM have defined new corporate governance guidelines for the joint venture. Streamlining and standardizing decision-making procedures will enhance DPCA's ability to adapt and respond quickly to the Chinese market.
- **A strengthened product plan.** The reinforced partnership calls for the launch of at least one new vehicle per year and per brand, for a total of 12 new DPCA models over the next five years. This highly ambitious product plan will not only totally revitalize the current vehicle line-up but also expand the Peugeot and Citroën brands' coverage of the Chinese market. In 2011, with the rollout of the 508, Peugeot will offer a world-class line-up of large family cars in China, a segment that accounts for 20% of the local market. The product portfolio will also be renewed and strengthened in the small family car segment (nearly 50% of the market) with new notchback models designed to meet the needs of Chinese customers. Lastly, DPCA will bring to market a unique offering in the fast-growing SUV segment, which accounts for 9% of the market, a 50% year-on-year increase.
- **A clean vehicle plan and a revitalized engine line-up.** In line with PSA Peugeot Citroën's strategy of reducing its vehicles' CO₂ emissions in China by 50% between now and 2020, the DPCA engine offering will be totally renewed over the next five years, with the launch of six new engines delivering between 60 kW and 150 kW of power. In this way, DPCA will provide a significant contribution to China's efforts to reduce carbon emissions while satisfying the expectations of different types of customer. At the same time, DPCA is fully committed to developing hybrid vehicles by launching Stop & Start vehicles in 2011, to be followed by a full hybrid line-up.
- **New production capacity.** To support DPCA's rapid growth in sales (which doubled between 2008 and 2010), PSA Peugeot Citroën and DFM have decided to provide the joint venture with a third automobile production plant. With an initial capacity of 150,000 vehicles, the facility will be located in Wuhan to produce midrange and lower midrange vehicles alongside the Wuhan 1 plant, which is near full capacity. Scheduled to come on stream in 2013, the plant is intended to increase DPCA's total output from 450,000 vehicles a year today to 750,000 in 2015. The joint venture's new production capacity will comply with the most stringent environmental standards.
- **Marketing and distribution.** DPCA is continuing to develop the Dongfeng Peugeot and Dongfeng Citroën sales networks – in terms of both quality and quantity – with the goal of providing outstanding service local to the customer. By 2012, each brand will have dealerships in China's 300 largest cities backed by an additional network of several hundred agents. As part of its Asian development strategy, PSA Peugeot Citroën is studying the possibility of exporting part of DPCA's production (assembled vehicles and CKD units) to other countries in the region.

Together, these initiatives will enable DPCA to achieve its goal of a 5% share of the Chinese market by 2015.

PERSONS RESPONSIBLE FOR THE INFORMATION GIVEN IN THE SECOND PROSPECTUS SUPPLEMENT

In the name of the Issuer

We declare, to the best of our knowledge (having taken all care to ensure that such is the case), that the information contained in this Second Prospectus Supplement is in accordance with the facts and contains no omission likely to affect its import.

The unaudited consolidated condensed financial statements for the first half-year ended 30 June 2010 were subject to a report by the statutory auditors reproduced on pages 62 and 63 of the 2010 Half Year Financial Report which contains an observation.

The consolidated financial statements for the year ended 31 December 2009 were audited by statutory auditors who issued an audit report which is reproduced on page 201 of the 2009 Registration document. This report contains an observation.

The consolidated financial statements for the year ended 31 December 2008 were audited by statutory auditors who issued an audit report which is reproduced on page 187 of the 2008 Registration document. This report contains an observation.

Paris, 28 September 2010

Peugeot S.A.
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Duly represented by: Mr. Philippe VARIN
President du Directoire



Autorité des marchés financiers

In accordance with Articles L. 412-1 and L. 621-8 of the French *Code monétaire et financier* and with the General Regulations (*Règlement Général*) of the *Autorité des marchés financiers* ("AMF"), in particular Articles 212-31 to 212-33, the AMF has granted to this Second Prospectus Supplement the visa no. 10-338 on 28 September 2010. This document and the Base Prospectus may only be used for the purposes of a financial transaction if completed by Final Terms. It was prepared by the Issuer and its signatories assume responsibility for it. In accordance with Article L. 621-8-1-I of the French *Code monétaire et financier*, the visa was granted following an examination by the AMF of "whether the document is complete and comprehensible, and whether the information it contains is coherent". It does not imply that the AMF has verified the accounting and financial data set out in it. This visa has been granted subject to the publication of Final Terms in accordance with Article 212-32 of the AMF's General Regulations, setting out the terms of the securities being issued.