



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 third supplement (the "**Third Prospectus Supplement**") is supplemental to, and should be read in conjunction with, the Base Prospectus dated 8 June 2010 (the "**Base Prospectus**") 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 "**First Prospectus Supplement**") and a second prospectus supplement dated 28 September 2010 (the "**Second Prospectus Supplement**"). 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, visa n°10-285 on 30 July 2010 on the First Prospectus Supplement and visa n°10-338 on 28 September 2010 on the Second Prospectus Supplement.

Application has been made for approval of the Third 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 Third 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 Third 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 Third Prospectus Supplement.

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

Copies of this Third 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 Third 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

The section Recent Developments is supplemented by the following press releases published by the Issuer on 29 September 2010 and 20 October 2010.

Press Release

Paris, September 29, 2010

FORD and PSA Peugeot Citroën announce development of EURO 6 diesel Engines and celebrate Ten years of successful diesel Engine Co-operation
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The groundbreaking diesel engine co-operation between Ford Motor Company and PSA Peugeot Citroën celebrates its tenth anniversary, the two companies are announcing a new commitment in their joint programme.

After building approximately 16.5 million diesel engines together over the past decade, and with a current annual build volume up to a potential three million engines, Ford and PSA are strengthening further their co-operation.

This Sixth Phase of the Gemini co-operation – the development and production of next-generation Euro 6-compliant engines – demonstrates the commitment of Ford and PSA to remain at the forefront of diesel engine technology, and will improve further the level of efficiency of diesel engines that remain a key enabler to reaching CO₂ reduction targets.

This new agreement covers a range of Euro 6-compliant diesel engines for car and commercial vehicle use. This new range of diesel engines will deliver improved fuel economy, reduced CO₂ emissions, and enhanced performance attributes. The first engines will go into production in 2013. It is expected that the overall investment for the R&D project associated with the Sixth Phase of the Gemini co-operation could be in the region of €300 million and will be shared between Ford and PSA.

"Ten years ago our two companies signed an agreement to co-operate on the development and manufacture of advanced diesel engines," said Stephen Odell, chairman and CEO, Ford of Europe. "That co-operation, which we named the Gemini Project, had an ambitious objective: to combine our joint expertise to deliver a broad range of world-class, high-technology diesel engines while providing significant economies of scale.

"By working closely together over the past decade, we have achieved our objective, and the co-operation has proved to be one of the most enduring and successful partnerships in the global automotive industry. Together we are the largest manufacturer of high-technology diesel engines in the world. Building on that achievement, we are now looking to the future and taking our co-operation forward into its second decade.

Philippe Varin, Chairman of the Managing Board of PSA Peugeot Citroën, said :

"The co-operation has given both PSA and Ford shared access to diesel engine technologies, while delivering scale advantages. But perhaps the real success of the Gemini Project lies in the way that cross-functional and cross-company teams – based in Britain, Germany and France – have worked together to develop a highly successful and acclaimed range of market-leading diesel engines. By reaffirming and strengthening our co-operation, we are ensuring that we will continue to be at the forefront in meeting future CO₂ challenges."

FACTS AND FIGURES OF THE GEMINI CO-OPERATION

- Total engines produced to end of 2010 (cumulative): Over 16.5 million
- Overall investment Phase 1 to 5: Over €2 billion.
- Annual build volume: Potentially up to three million engines.
- Automotive brands using Gemini engines: Peugeot, Citroën, Ford, Mazda, Jaguar, Volvo Cars and Land Rover
- Around 30 vehicle applications
- Engine nomenclature: PSA Peugeot Citroën (HDi); Ford (TDCi)
- **Assembly Plants:**

PSA Peugeot Citroën : Tremery, France (1.6-litre, 2.0-litre and 2.2-litre), Douvrin, France (1.4-litre)

Ford : Dagenham, UK (1.4-litre, 1.6-litre, 2.2-litre and 3.0-litre), Chennai, India (1.4-litre)

- **Other OEMs:** Volvo Cars, Skövde, Sweden (2.0-litre)

Third-Quarter 2010 Revenues up 10.3% to €13 billion

Third-Quarter 2010 Highlights

- Consolidated revenues up 10.3% compared with Q3-2009
- Automotive Division revenues up 2.3% compared with Q3-2009
- Market share growth in Europe, Latin America and China
- Faurecia's revenues up 11.5% like for like, increase of 44.1% including the Emcon and Plastal acquisitions

Consolidated revenue (in € millions)	Q3 2009	Q3 2010	% change	% change like for like	9 months 2009	9 months 2010	% change	% change like for like
Automotive Division	9,256	9,465	+ 2.3%	+ 2.3%	27,914	30,639	+ 9.8%	+ 9.8%
Faurecia*	2,268	3,267	+ 44.1%	+ 11.5**	6,648	10,093	+ 51.8%	+ 21.6%**
Gefco	701	794	+ 13.3%	+ 13.3%	2,096	2,509	+ 19.7%	+ 19.7%
Banque PSA Finance	458	464	+ 1.3%	+ 1.3%	1,373	1,383	+ 0.7%	+ 0.7%
Other businesses and intersegment eliminations	(901)	(997)			(2,752)	(3,238)		
PSA Peugeot Citroën	11,782	12,993	+ 10.3%	+ 4.3%	35,279	41,386	+ 17.3%	+ 11.8%

* Emcon was consolidated in the accounts of Faurecia from 1 January 2010 and Plastal Germany from 1 April 2010. The two companies' contributions to PSA Peugeot Citroën's Q3 revenue amounted to €591 million and €110 million respectively.

** At constant exchange rates

Outlook for 2010

PSA Peugeot Citroën is upgrading its outlook in view of its recent performance and improved visibility.

The European market is now estimated to be down 5% in 2010 in a highly competitive environment. The Chinese market should grow by nearly 20% and growth in Latin America should be close to 10%. In all of these markets, the Group expects to increase its market share over the full year.

The Automotive Division is now expected to break even in the second half and the Group should report recurring operating income for the year of more than €1.5 billion. The net debt of the manufacturing and sales companies at 31 December 2010 should be at a similar level to the end of June 2010 representing a reduction compared to the end of December 2009.

AUTOMOTIVE DIVISION

Automotive Division sales rose by 2.3% to €9,465 million in the third quarter of 2010, taking the year-to-date increase to 9.8%. Growth was led by market share gains both in and outside Europe and by firm demand in international markets.

The Group's worldwide sales totalled 808,400 vehicles in the third quarter, up 2.6%, with sales of assembled vehicles 0.8% higher at 699,000 units. Worldwide sales in the first nine months came to 2,664,100 vehicles, an increase of 12.2%.

Revenues from new vehicle sales were stable in the third quarter at +0.2%. Lower unit sales of assembled vehicles had a 1.8% negative impact (excluding China), changes in product mix had a positive effect of 5.8% and changes in net prices had a 1.5% negative effect giving an overall positive effect of 4.3%. The currency effect was a positive 3.5%, changes in country mix had a 0.3% negative effect and other effects represented a negative 5.5%.

HIGHLIGHTS BY REGION (registrations):

Europe: As expected, European automotive markets declined in the third quarter, contracting by 11.4% overall. The Group delivered a resilient performance in this environment, with registrations down 10%.

Western European markets narrowed by 11.8%. The biggest falls were in Germany (down 23.4%), Italy (down 21.2%) and Spain (down 23.6%), due to the withdrawal of scrappage incentives in these countries. The market was more resilient in France, where scrappage incentives were reduced, with car and light commercial vehicle registrations down 6%. In the United Kingdom, where scrappage incentives ceased last summer, the market declined by 8.3%.

The trend in Central and Eastern Europe also remained negative, with registrations down 5.1% over the quarter.

In this environment, the Group's successful new products helped to lift its market share in Europe to 13.7% in the third quarter from 13.5% in the same period of 2009. The strongest gains were in the United Kingdom (up 0.8 points to 10.2%), Italy (up 0.2 points to 11.5%) and Central and Eastern Europe (up 0.1 points to 9.6%). Market share remained almost unchanged in France (at 32.3%), but declined in Germany (to 5.5%) and in Spain (to 17.6%).

Group registrations in Europe over the first nine months were up 2% and its market share was 0.7 points higher at 14.3%.

After two gloomy years in 2008 and 2009, the light commercial vehicle market started to recover in early 2010 and the trend was confirmed in the third quarter with total registrations for the period up 8.7%. PSA Peugeot Citroën is solidly anchored in the No.1 position, with 21.1% of the market in the third quarter and 22.0% in the first nine months of the year.

Russia: After a very challenging 2009 and a weak first-quarter 2010, the market took off with growth reaching 52.3% in the third quarter. Group registrations in this market surged by 71.1% and its market share rose to 3.2% in the third quarter (2.8% for the first nine months of 2010). PSA Peugeot Citroën is continuing to expand its Russian operations. Local production helped the Group to restore growth momentum and once again increase its market share.

Latin America (Brazil, Argentina, Mexico and Chile): The Latin American markets have enjoyed a resounding return to growth since the fourth quarter of 2009. In the third quarter of 2010, overall market growth in the region came to 11.8%, led by increases of 32.7% in Argentina and 6.5% in Brazil. Group registrations for the quarter rose 26.2%, while market share in the region was 0.8 points higher at 5.8%.

China: The Chinese market remained very dynamic, with demand rising 17.7% in the third quarter. The Group's market share improved to 3.4%, reflecting 30.9% growth in registrations. The Group has expanded its efforts in China to develop its market share. A contract was signed July 9th 2010 for a second automotive Joint Venture in China that will produce complementary line-ups to DPCA. It also strengthened its partnership with Dongfeng Motors that will enable DPCA to achieve its goal of a 5% share of the Chinese market by 2015.

CKD UNITS: CKD sales increased 16.1% in the third quarter of 2010, to 109,000 units.

PRODUCT HIGHLIGHTS (first nine months of 2010)

The Group has maintained the steady pace of new model launches, notably low-carbon vehicles. During the first nine months of 2010, a total of 640,000 Peugeots and Citroëns emitting no more than 120g of CO₂/km were sold. In the coming weeks, the Group will continue to provide efficient answers to environmental issues with the launch of two electric vehicles – the Citroën C-Zero and the Peugeot iOn – and market wide deployment of the e-HDI micro-hybrid technology.

Both brands are thus maintaining their momentum in 2010 and the latest launches have delivered market share gains in Europe.

The new C3 marketed since January and the DS3 introduced in March have enabled Citroën to strengthen its position in the compact segment. A total of 235,600 Citroën C3 and C3 Classic units were sold in the first nine months of the year, an increase of 46% over the year-earlier period. With 43,000 units sold, the DS3 has been an outstanding marketing success and the Group has increased production to keep pace with demand. Sales of the Citroën C3 Picasso held firm at 60,800 units (an increase of 1%). In all, Citroën consolidated its position in the compact segment with sales up 22% to 433,000 units.

Peugeot-brand unit sales in the compact segment grew 3.6%, with a total of 697,300 units in the 206+, 207 and 107 ranges sold during the first nine months of the year.

In the C segment, sales of the Peugeot 308 amounted to 168,800 units, a decline of 12%.

Thanks to the Citroën C4's success in international markets, sales of this model totalled 162,900 units, an increase of 10.2%. This model is due to be replaced in Europe starting in October.

In the compact MPV segment, sales of the Citroën C4 Picasso contracted by 9.7% to 99,400 units, while sales of the Peugeot 5008 launched in October 2009 came to 54,600 units. These additional sales helped the Group to report strong growth in this segment.

Peugeot's first crossover model, the 3008, has gone from strength to strength since its launch in spring 2009, with 93,500 units sold during the first nine months of 2010, up 173%.

Lastly, sales of the Citroën C5 continued to grow, rising 37% to 87,000 units.

Inventories: After the sharp reduction in 2009, inventories were increased slightly at the end of the first-half to meet the seasonal upturn in demand. At end-September, they were brought back down to the target level 61 days' sales, corresponding to 468,000 vehicles.

FAURECIA

Faurecia maintained its turnaround momentum in the third quarter, with a 44.1% increase in revenues to €3,267 million. The increase included contributions of €610 million from Emcon, consolidated from 1 January 2010, and €110 million from Plastal Germany, consolidated from 1 April. Based on a comparable scope of consolidation and at constant exchange rates, like-for-like growth was 11.5% for the period. Revenues from product sales were up 32.4% at €2,524 million, reflecting increases of 7.4% for automotive seats, 16.3% for interior systems, 147.4% for emissions control technologies and 55.5% for automotive exteriors.

GEFCO

Gefco's revenues totalled €794 million for the quarter, a 13.3% increase that was attributable to a 10.2% rise in revenue from business with Group companies and an 18.9% surge in external revenue. Growth in external revenue was driven by diversification of the customer portfolio, as well as by market share gains in various segments of the industrial market (such as electronics manufacturers) and in expanding geographic markets such as Russia and Central & Eastern Europe.

BANQUE PSA FINANCE

Banque PSA Finance's revenues inched up 1.3% to €464 million in the third quarter. The loan book rose by 1.6% to €22.8 billion, while a total of 207,000 new loans were originated during the quarter, up 2.7%.

Worldwide Automobile Sales

In thousands of units*	Q3 2009	Q3 2010	% change	9 months 2009	9 months 2010	% change
Europe**	518	462	-10.9%	1,583	1,668	+ 5.4%
Russia	9	17	+ 82.9%	33	39	+ 18.6%
Latin America	62	78	+ 26.3%	174	205	+ 17.7%
Rest of the world	36	56	+ 60,7 %	101	142	+ 39.8%
Assembled vehicles (excluding China)	625	613	- 1.8%	1,891	2,054	+ 8.6%
China	69	86	+ 24.3%	188	263	+ 39.9%
Total assembled vehicles	694	699	+ 0.8%	2,079	2,317	+ 11.4%
CKD units	94	109	+ 16.2%	295	347	+ 17.6%
Worldwide sales	788	808	+ 2.6%	2,375	2,664	+ 12.2%
o/w	713	719	+ 0.8%	2,138	2,384	+ 11.5%
light commercial vehicles	74	89	+ 19.8%	237	280	+18.1%

*Assembled vehicles and CKD units

** Europe = EU + EFTA + Croatia

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PERSONS RESPONSIBLE FOR THE INFORMATION GIVEN IN THE THIRD 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 Third 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, 20 October 2010

Peugeot S.A.
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75016 Paris
France
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 Third Prospectus Supplement the visa no. 10-367 on 20 October 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.