

Information Memorandum

February 18, 2000



(A limited liability company (société anonyme) incorporated in France with its registered office in Paris)

Euro 250,000,000

6.375% Bonds due 2010

Issue Price: 99.15%

NATEXIS BANQUES POPULAIRES

**WESTDEUTSCHE LANDESBANK
GIROZENTRALE**

ABN AMRO

BNP PARIBAS GROUP

CABOTO – GRUPPO INTESA

CDC MARCHES

CREDIT AGRICOLE INDOSUEZ

DEUTSCHE BANK

LEHMAN BROTHERS

MERRILL LYNCH INTERNATIONAL

J.P. MORGAN SECURITIES LTD.

SOCIETE GENERALE

Application has been made to list the Bonds on the Luxembourg and Paris Stock exchanges.

Sophia (the "Issuer" or the "Company"), after having performed all necessary enquiries, confirms that this Information Memorandum contains all relevant information with respect to Sophia and the Bonds in the context of the listing of the issue and the offering of the Bonds. Furthermore, the Issuer confirms that the information contained in this Information Memorandum relating to Sophia and the Bonds is true and accurate in all material respects and not misleading, and that there are no other facts the omission of which would make any statement in this Information Memorandum misleading in any material respect. Sophia accepts responsibility accordingly.

This Information Memorandum does not constitute an offer of, or an invitation by (or on behalf of) the Issuer or the Managers (as defined in section "Subscription and Sale" hereinafter) to subscribe or purchase, any of the Bonds.

The distribution of this Information Memorandum and the offering or sale of the Bonds may be restricted by law in certain jurisdictions. Persons into whose possession this Information Memorandum comes must inform themselves about, and observe, any such restrictions, as more fully described in the Information Memorandum (section "Sales Restrictions" below).

No person is authorised to give any information or to make any representation not contained in this Information Memorandum and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of Sophia or the Managers. The delivery of this Information Memorandum at any time does not imply that the information contained in it is correct as at any time subsequent to its date.

Unless otherwise specified or the context requires, references to "Euro" and "€" are to the single currency introduced in those Member States of the European Union which are participating in the third stage of the European Economic and Monetary Union and references to "franc", "French francs", "FF" and "FRF" are to the lawful currency, for the time being, with the Euro, of the Republic of France.

Table of Contents

	Page
General Information	3
Terms and Conditions of the Bonds	6
Sophia	13
Introduction	13
Share Capital and Shareholders	13
Capitalisation	14
Organisation	15
Management	16
Auditors	16
Employees	16
Activities	17
Development in 1999	19
Outlook for the present Fiscal Year	19
The French Property Market	20
Sophia – Consolidated Accounts for 1997 and 1998	22
Sophia – Consolidated Interim Accounts as at June 30, 1999	26
Paris Bourse Responsibility Statement	30

General Information

- Issue Date and Offering Price** The issue amount of Euro 250,000,000 is offered for sale, subject to prior sales, from February 18, 2000 at the price of 99.15 per cent. of the principal amount.
- Authorisation** The issue of the Bonds was authorised by resolutions of the (i) General Assembly of the Shareholders of Sophia on November 17, 1999 and (ii) Board of Directors of the Issuer on December 7, 1999 and a Chairman's authorisation dated January 25, 2000.
- Subscription and Sale** Under a Subscription Agreement dated February 15, 2000, (the "Subscription Agreement") the following banks (hereinafter referred to as the "Managers") have agreed with the Issuer to subscribe and pay for the Bonds: Natexis Banques Populaires, Westdeutsche Landesbank Girozentrale, ABN AMRO Bank N.V., Banque Nationale de Paris, Caboto Holding SIM S.p.A., CDC Marchés, Crédit Agricole Indosuez, Deutsche Bank Aktiengesellschaft, Lehman Brothers International (Europe), Merrill Lynch International, J.P. Morgan Securities Ltd. and Société Générale.
- Sales Restrictions** (1) **United States.** The Bonds have not been and will not be registered under the United States Securities Act of 1933 (the "Securities Act") and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, each Manager represents and agrees that it has not offered or sold, and will not offer or sell, any Bonds constituting part of its allotment within the United States except in accordance with rule 903 of Regulation S under the Securities Act and, accordingly, that neither it nor any of its affiliates (including any person acting on its behalf or any of its affiliates) has engaged or will engage in any directed selling efforts with respect to the Bonds. Terms used in this paragraph have the meanings ascribed to them by Regulation S.
- In addition, under U.S. Treas. Reg. § 1.163-5(c)(2)(i)(C) (the "C Rules"), Bonds in bearer form must be issued and delivered outside the United States and its possessions in connection with their original issuance. Each Manager agrees that it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, Bonds in bearer form within the United States or its possessions in connection with their original issuance. Further, in connection with the original issuance of Bonds in bearer form, it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if either of them is within the United States or its possessions or otherwise involve its U.S. office in the offer or sale of Bonds in bearer form. Terms used in this paragraph have the meanings ascribed to them by the U.S. Internal Revenue Code and regulations thereunder, including the C Rules.
- (2) **United Kingdom.** Each Manager further represents and agrees that:
- (i) it has not offered or sold and, prior to the expiry of the period of six months from the Closing Date, will not offer or sell any Bonds to persons in the United Kingdom except 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 otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulation 1995;
- (ii) it has complied and will comply with all applicable provisions of the Financial Services Act 1986 with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom; and
- (iii) it has only issued or passed on and will only issue or pass in the United Kingdom any document received by it in connection with the issue of the Bonds to a person

who is of a kind described in Article 11(3) of the Financial Services Act 1986 (Investment Advertisements) (Exemptions) Order 1996 or is a person to whom such document may otherwise lawfully be issued or passed on.

(3) **Federal Republic of Germany.** The Bonds are issued under the "Euro-Securities Exemption" pursuant to § 4(1) No. 1 and § 4(2) of the Securities Sales Prospectus Act of the Federal Republic of Germany (Wertpapier-Verkaufsprospekt-Gesetz) of December 13, 1990 (the "Securities Prospectus Act"). Each Manager is aware of the fact that no sales prospectus (Wertpapier-Verkaufsprospekt) in Germany has been and will be published and each Manager will comply with the Securities Prospectus Act and the restrictions applying to the offer and distribution of Euro-Securities. In particular, each Manager undertakes not to engage in public advertisements (öffentliche Werbung) in the Federal Republic of Germany with respect to the Bonds.

(4) **France.** The Issuer and each Manager has represented and agreed that the Bonds are being issued outside the Republic of France and that it has not offered or sold, and will not offer or sell any Bonds in the Republic of France, in connection with their initial distribution, and has not distributed and will not distribute or cause to be distributed in the Republic of France the Offering Material, except to (i) qualified investors (*investisseurs qualifiés*) and/or (ii) within a restricted group of investors (*cercle restreint d'investisseurs*), all as defined in article 6 of *ordonnance* no. 67-833 dated 28th September, 1967 (as amended) and *décret* no. 98-880 dated 1st October, 1998.

(5) **The Netherlands.** The Bonds are offered under the Euro-securities exemption pursuant to Article 6 of The Netherlands Exemption Regulation of the Securities Markets Supervision Act of 1995 (Vrijstellingsregeling Wet toezicht effectenverkeer 1995). In particular, no general advertising or cold-calling campaign may be conducted with respect to the Bonds.

(6) **Other Jurisdictions.** Each Manager acknowledges that no action has been or will be taken in or from any jurisdiction by the Managers or the Issuer that would permit a public offering of the Bonds, or possession or distribution of the Offering Material, in any jurisdiction where action for those purposes is required. Each Manager will comply with all applicable laws in each jurisdiction in or from which it purchases, offers, sells or delivers Bonds or has in its possession or distributes the Offering Material or any other offering material relating to the Bonds.

Listing Information

Application has been made to list the Bonds on the Paris and Luxembourg stock exchanges.

Prior to the listing of the Bonds on the Luxembourg Stock Exchange, a legal notice relating to their issue will be filed with the Chief Registrar of the District Court in Luxembourg (*Greffier en Chef du Tribunal d'Arrondissement de et à Luxembourg*) where a copy of such notice and a copy of the Statuts of the Issuer may be examined and obtained by the public.

The Annual Report for the fiscal year ended December 31, 1998, the interim financial statements as at June 30, 1999 and future audited annual consolidated and unconsolidated financial statements and interim unaudited consolidated and unconsolidated financial statements on a semi-annual basis of the Issuer may be inspected and obtained (free of charge) by the Bondholders at the Main Office of the Paying Agent in Luxembourg as long as the Bonds are listed on the Luxembourg Stock Exchange. In addition, copies of the constitutive documents of Sophia and the Subscription Agreement and the Paying Agency and Security Custodian Agreement will be available for inspection at such office during normal business hours.

For the purpose of the listing of the Bonds on the Paris Stock Exchange, pursuant to Articles 6 and 7 of Ordinance dated September 28, 1967, as amended, this Information Memorandum has been submitted to the clearance procedures of the Commission des Opérations de Bourse (the "COB") in Paris, and has obtained the

visa n° 00-171 dated February 16, 2000. The legal notice concerning the listing of the Bonds on the Paris Stock Exchange has been published in the Bulletin des Annonces Légales Obligatoires (BALO) on February 18, 2000.

Delivery of the Bonds	Initial delivery of the Bonds will be effected on February 18, 2000, the closing date, in the form of a Global Bond which will be deposited with <i>Société Interprofessionnelle pour la Compensation des Valeurs Mobilières</i> (the "SICOVAM"). Purchasers will share in this Global Bond through credits to deposit accounts.
Litigation	The Issuer is not involved in any litigation, arbitration or administrative proceedings relating to claims or amounts which are material in the context of the issue of the Bonds nor, so far as it is aware, having made all reasonable enquiries, are any such litigation, arbitration or administrative proceedings pending or threatened.
Rating	The long-term debt of the Issuer and this bond issue have been rated "A-" by Standard & Poor's and "A" by Fitch IBCA.
Use of Proceeds	The net proceeds of the issue amounting to approximately Euro 247.9 million (before deducting the expenses of the issue) will be used for financing the real-estate business of the Issuer.
No Material Adverse Change	There has been no material adverse change in the condition, financial or otherwise, of the Issuer since December 31, 1998.
Incorporation by Reference	<p>The <i>Document de Référence</i> in the French language relating to the Issuer, incorporating the Annual Report for the year ended December 31, 1998 and registered with the COB on April 23, 1999 under n° R99-135 and the document for the merger of various subsidiaries of Sophia with the visa number 99-1 280 as of October 18, 1999, incorporating the Consolidated Interim Accounts as at June 30, 1999, as well as the Annual Report of the Issuer for the year ended December 31, 1998 in the English language are incorporated by reference into this Information Memorandum.</p> <p>Copies thereof may be obtained without charge at the principal office of the paying agents in Paris and in the City of Luxembourg: Natexis Banques Populaires, 115, rue Montmatre, 75002 Paris, France and WestLB International S.A., 32-34, boulevard Grande-Duchesse Charlotte, Luxembourg and at the principal office of the Issuer, 63, avenue des Champs Elysées, 75008 Paris, France.</p>
Listing Agent in Luxembourg	Listing Agent in Luxembourg is WestLB International S.A., 32-34, boulevard Grande-Duchesse Charlotte, Luxembourg.
Clearance	The Bonds have been accepted for Clearance through SICOVAM, Euroclear and Clearstream Banking with the following reference numbers:
Common Code	10725194
ISIN Code	FR 0000498255
Sicovam Code	49 825
German Security Code	451 665

The English text of these Terms and Conditions is the legally binding version. The German translation, which is available at the offices of the Paying Agents, is for convenience only.

Terms and Conditions of the Bonds

The following are the Terms and Conditions (the "Conditions") of the Bonds which will be physically attached to the Global Bond.

§ 1 Form and Denomination

(1) The Bonds are issued outside the Republic of France in the aggregate principal amount of EURO 250,000,000 (EURO two-hundred-fifty-million) and consist of

250,000 Bonds of EURO 1,000 each,
numbered 000 001 to 250 000

payable to bearer and ranking *pari passu* among themselves (the "Bonds").

(2) The Bonds and the interest claims shall, for the entire lifetime of the Bonds, be represented by a global bearer bond ("Global Bearer Bond"), deposited with Société Interprofessionnelle pour la Compensation des Valeurs Mobilières, Paris (the "Clearing System"). The Global Bearer Bond bears the handwritten signatures of an authorised signatory of Sophia, Paris, Republic of France, (the "Issuer") as well as the handwritten signature of a control officer of Natexis Banques Populaires, Paris.

(3) The right to demand the printing and delivery of individual Bonds or Coupons shall be excluded for the lifetime of the Bonds. The Bonds are transferable in accordance with the rules and regulations of the Clearing System.

(4) The Issuer reserves the right from time to time without the consent of the bondholders to issue additional bonds with identical terms, so that the same shall be consolidated, form a single issue with and increase the aggregate principal amount of the Bonds. The term "Bonds" shall, in the event of such increase, also comprise such additionally issued bonds.

§ 2 Status

The Bonds constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer, save as otherwise determined by mandatory provisions of law.

§ 3 Negative Pledge

So long as any of the Bonds remains outstanding, the issuer will not create or permit to subsist any Security Interest

Der englische Text dieser Anleihebedingungen ist die rechtlich verbindliche Version. Die deutsche Übersetzung, die bei den Geschäftsstellen der Zahlstellen erhältlich ist, ist unverbindlich und dient der Erleichterung des Verständnisses.

Anleihebedingungen der Teilschuld- verschreibungen

Bei dem nachstehenden Text handelt es sich um die Anleihebedingungen (die „Anleihebedingungen“) der Teilschuldverschreibungen, die der Globalurkunde beigeheftet werden.

§ 1 Form und Nennbetrag

(1) Die Anleihe wird außerhalb der Republik Frankreich im Gesamtnennbetrag von EURO 250.000.000 (EURO zweihundertfünfzig Millionen) begeben und ist eingeteilt in

250.000 Teilschuldverschreibungen zu je EURO 1.000,
Nr. 000 001 bis 250 000,

die auf den Inhaber lauten und untereinander gleichberechtigt sind (die „Teilschuldverschreibungen“).

(2) Die Teilschuldverschreibungen und die Zinsansprüche sind für die gesamte Laufzeit der Anleihe in einer Inhabersammelschuldverschreibung (die „Sammelurkunde“) verbrieft, die bei der Société Interprofessionnelle pour la Compensation des Valeurs Mobilières, Paris (das „Clearingsystem“) hinterlegt wird. Die Sammelurkunde trägt die eigenhändige Unterschrift eines zeichnungsberechtigten Vertreters der Sophia, Paris, Republik Frankreich, (die „Anleiheschuldnerin“) sowie die eigenhändige Unterschrift eines Kontrollbeauftragten der Natexis Banques Populaires, Paris.

(3) Ein Anspruch auf Ausdruck und Auslieferung effektiver Teilschuldverschreibungen oder Zinsscheine ist während der gesamten Laufzeit der Anleihe ausgeschlossen. Die Teilschuldverschreibungen sind gemäß den Regelungen und Bestimmungen des Clearingsystems übertragbar.

(4) Die Anleiheschuldnerin behält sich das Recht vor, von Zeit zu Zeit ohne Zustimmung der Anleihegläubiger weitere Schuldverschreibungen mit gleicher Ausstattung in der Weise zu begeben, daß sie mit den Teilschuldverschreibungen zusammengefaßt werden, eine einheitliche Anleihe mit ihnen bilden und ihren Gesamtnennbetrag erhöhen. Der Begriff „Teilschuldverschreibungen“ umfaßt im Falle einer solchen Erhöhung auch solche zusätzlich begebenen Schuldverschreibungen.

§ 2 Status

Die Teilschuldverschreibungen stellen direkte, unbedingte, unbesicherte und nicht nachrangige Verbindlichkeiten der Anleiheschuldnerin dar und stehen vorbehaltlich zwingender Rechtsvorschriften im gleichen Rang mit allen anderen gegenwärtigen und zukünftigen unbesicherten und nicht nachrangigen Verbindlichkeiten der Anleiheschuldnerin.

§ 3 Negativklärung

Solange Teilschuldverschreibungen ausstehen, wird die Anleiheschuldnerin kein Grund- oder Mobiliarpfandrecht

(as defined below) upon any of its assets or revenues, present or future, to secure any Relevant Debt (as defined below) or any guarantee or indemnity in respect of any Relevant Debt unless, at the same time or prior thereto, the Issuer's obligations under the Bonds are equally and rateably secured therewith.

For the purposes of this § 3, "Security Interest" means any mortgage, lien, pledge, charge or other form of security interest (*sûreté réelle*), and "Relevant Debt" means any present or future indebtedness for borrowed money in the form of, or represented by, bonds, notes or debentures (*obligations*) which are for the time being, or capable of being, quoted, listed, or ordinarily dealt in on any stock exchange. ---

§ 4 Interest

(1) The Bonds bear interest at the rate of 6.375 % per annum as from February 18, 2000. Interest is payable on February 18 of each year.

(2) The Bonds will cease to bear interest at the end of the day preceding the date on which they become due for redemption, even if the due date is not a Business Day (as defined below). Should the Issuer fail to redeem the Bonds at the due date thereof or, if the due date is not a Business Day, on the next following Business Day, the Bonds shall not cease to bear interest at the end of the day preceding the due date, but interest shall continue to accrue until the payment of such principal has been effected, but in no case beyond the fourteenth day after the date on which the necessary funds have been provided to the Chief Paying Agent (as defined in § 7 paragraph 1 below) and notice thereof has been given in accordance with § 11.

(3) For the purposes of the above provisions, "Business Day" means a day on which all relevant parts of the Trans-European Automated Real-Time Gross Settlement Express Transfer System ("TARGET") are operational to effect such a payment.

(4) If interest is to be calculated for a period of less than one year, it shall be calculated on the basis of the actual number of days elapsed divided by 365 (or, if any portion of that interest period falls in a leap year, the sum of (a) the actual number of days in that portion of the interest period falling in a leap year divided by 366 and (b) the actual number of days in that portion of the interest period falling in a non-leap year divided by 365).

§ 5 Redemption and Purchase

(1) The life of the Bonds shall be ten years. The Issuer undertakes to redeem the Bonds at their principal amount on February 18, 2010.

(2) The Issuer has the right to purchase Bonds in the market or otherwise.

(3) All Notes so redeemed or purchased will be cancelled and may not be re-issued or resold.

§ 6 Payments

(1) The Issuer irrevocably undertakes to pay to the Chief Paying Agent (as defined in § 7 paragraph 1 below), as and

(wie nachstehend definiert) an ihren gegenwärtigen oder zukünftigen Vermögenswerten oder Einkünften zur Besicherung einer relevanten Schuld (wie nachstehend definiert) oder zur Besicherung einer Garantie oder Bürgschaft in Bezug auf eine relevante Schuld begründen oder bestehen lassen, sofern eine solche Sicherheit nicht mindestens gleichzeitig, anteilig und gleichrangig auf die Verbindlichkeiten der Anleiheschuldnerin aus den Teilschuldverschreibungen erstreckt wird.

Im Sinne dieses § 3 bedeutet „Grund- oder Mobiliarpfandrecht“ jede Hypothekenbestellung, Verpfändung oder sonstige dingliche Belastung (*sûreté réelle*), und „relevante Schuld“ bedeutet jede gegenwärtige oder zukünftige Verschuldung aus aufgenommenen Geldern in der Form von Schuldverschreibungen oder verbrieft durch Schuldverschreibungen (*obligations*), die derzeit an einer Wertpapierbörse notiert, eingeführt oder gehandelt werden oder notiert, eingeführt oder gehandelt werden können.

§ 4 Verzinsung

(1) Die Teilschuldverschreibungen sind vom 18. Februar 2000 an mit 6,375 % jährlich zu verzinsen. Die Zinsen werden am 18. Februar eines jeden Jahres fällig.

(2) Die Verzinsung der Teilschuldverschreibungen endet mit Ablauf des Tages, der dem Fälligkeitstag vorausgeht, und zwar auch dann, wenn der Fälligkeitstag kein Bankarbeitstag (wie nachstehend definiert) ist. Sofern die Anleiheschuldnerin jedoch die Verpflichtung zur Rückzahlung bei Fälligkeit oder, wenn der Fälligkeitstag kein Bankarbeitstag ist, am darauffolgenden Bankarbeitstag nicht erfüllt, endet die Verzinsung nicht mit Ablauf des Tages vor Fälligkeit, sondern erst mit der Einlösung, spätestens jedoch 14 Tage nach dem Tag, an dem gemäß § 11 bekanntgemacht wird, daß die erforderlichen Beträge bei der Hauptzahlstelle (wie unten in § 7(1) definiert) bereitgestellt worden sind.

(3) Im Rahmen der vorstehenden Bestimmungen ist „Bankarbeitstag“ ein Tag, an dem alle relevanten Teile des Trans-European Automated Real-Time Gross Settlement Express Transfer System („TARGET“) für die Zwecke der Abwicklung einer solchen Zahlung betriebsbereit sind.

(4) Sind Zinsen für einen Zeitraum von weniger als einem Jahr zu berechnen, so erfolgt die Berechnung anhand der abgelaufenen Tage geteilt durch 365 (oder, wenn die betreffende Zinsperiode teilweise in ein Schaltjahr fällt, anhand der Summe (a) der abgelaufenen Tage in dem Teil der Zinsperiode, der in ein Schaltjahr fällt, geteilt durch 366 und (b) der abgelaufenen Tage in dem Teil der Zinsperiode, der nicht in ein Schaltjahr fällt, geteilt durch 365).

§ 5 Rückzahlung und Erwerb

(1) Die Laufzeit der Teilschuldverschreibungen beträgt zehn Jahre. Die Anleiheschuldnerin verpflichtet sich, die Teilschuldverschreibungen am 18. Februar 2010 zum Nennwert zurückzuzahlen.

(2) Die Anleiheschuldnerin ist berechtigt, Teilschuldverschreibungen am Markt oder auf sonstige Weise zu erwerben.

(3) Alle derart zurückgezahlten oder erworbenen Teilschuldverschreibungen werden entwertet und dürfen nicht erneut begeben oder wiederverkauft werden.

§ 6 Zahlungen

(1) Die Anleiheschuldnerin verpflichtet sich unwiderruflich, Kapital und Zinsen sowie etwa gemäß § 8(1) zu

when due, the full amount of principal, interest and any additional amounts payable in accordance with § 8 paragraph 1 in EURO, as introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended by the Treaty on European Union. This undertaking covers the transfer of the funds to be made when due and under all circumstances and regardless of the nationality, domicile or residence of the holders of the Bonds ("Bondholders").

(2) Capital, interest and any additional amounts payable in accordance with § 8 paragraph 1 shall be paid to the Bondholders with due observance of any applicable tax, foreign exchange and other laws and regulations, without it being permissible to require the execution of an affidavit or compliance with any other formality, unless prescribed by the laws of such country.

(3) Payments of principal shall be made subject to paragraph 1 above, to the Clearing System or to its order for credit to the accounts of the relevant accountholders of the Clearing System upon presentation and surrender of the Global Bearer Bond at the specified office of any Paying Agent.

(4) The Issuer shall be discharged by payment to, or to the order of, the Clearing System. Each Bondholder must look solely to the Clearing System for his share of any payment made by the Issuer to, or to the order of, the Clearing System.

(5) The Issuer may at the cost and risk of the Bondholders deposit with the Amtsgericht Düsseldorf (Local Court) interest or principal not claimed by Bondholders within 12 months after the due date thereof, even though the respective Bondholders may not be in default of acceptance, with the waiver of the right to withdraw such deposits. Upon such deposit, all claims of the respective Bondholders against the Issuer and against any third parties liable for the performance of the Issuer's obligations shall cease.

(6) The term for presentation of Bonds pursuant to § 801, subparagraph 1, sentence 1 of the BGB (German Civil Code) is reduced to 10 years.

§ 7

Paying Agents and Security Custodian

(1) Paying agents (hereinafter referred to as the "Paying Agents") are:

- a) Westdeutsche Landesbank Girozentrale
Herzogstrasse 15
D-40217 Düsseldorf
(the "Chief Paying Agent");
- b) Natexis Banques Populaires
115 rue Montmartre
F-75002 Paris
- c) WestLB International S.A.
32-34 Boulevard Grand Duchesse Charlotte
L-2014 Luxembourg

(2) The Issuer, with the consent of the Chief Paying Agent, may appoint additional Paying Agents or terminate the appointment of individual Paying Agents by publication in accordance with § 11.

(3) The Chief Paying Agent and the Paying Agents acting in such capacity act only as agents of the Issuer; there is no agency or fiduciary relationship between the Chief Paying Agent or the Paying Agents and the Bondholders.

(4) Neither the Issuer nor the Paying Agents are obliged to examine the title of any Bondholder.

zahlende zusätzliche Beträge an die Hauptzahlstelle (wie unten in § 7(1) definiert) bei Fälligkeit in EURO, wie zu Beginn der dritten Stufe der Europäischen Wirtschafts- und Währungsunion aufgrund des EG-Vertrags, abgeändert durch den Vertrag über die Europäische Union, eingeführt, zurückzahlen. Diese Verpflichtung umfaßt den rechtzeitigen Transfer der jeweils fälligen Beträge unter allen Umständen und ohne Rücksicht auf die Staatsangehörigkeit, den Wohnsitz oder den gewöhnlichen Aufenthaltsort der Inhaber von Teilschuldverschreibungen („Anleihegläubiger“).

(2) Kapital, Zinsen sowie etwaig gemäß § 8(1) zu zahlende zusätzliche Beträge werden den Anleihegläubigern unter Beachtung etwaiger Steuer-, Devisen- und sonstiger Vorschriften eingelöst, ohne daß die Ausfertigung eines Affidavits oder die Erfüllung irgendeiner sonstigen Förmlichkeit verlangt werden darf, es sei denn, das Recht des betreffenden Landes schreibt dieses zwingend vor.

(3) Zahlungen von Kapital erfolgen vorbehaltlich des obigen Absatzes (1) an das Clearingsystem oder an dessen Order zur Gutschrift auf den Konten der betreffenden Kontoinhaber des Clearingsystems gegen Vorlage und Einreichung der Sammelurkunde bei der festgelegten Geschäftsstelle einer jeden Zahlstelle.

(4) Die Anleiheschuldnerin zahlt mit schuldbefreiender Wirkung an das Clearingsystem oder an dessen Order. Jeder Anleihegläubiger hat sich hinsichtlich seines Anteils an einer von der Anleiheschuldnerin an das Clearingsystem oder an dessen Order geleisteten Zahlung ausschließlich an das Clearingsystem zu halten.

(5) Die Anleiheschuldnerin kann die von Anleihegläubigern innerhalb von zwölf Monaten nach Fälligkeit nicht erhobenen Beträge an Kapital und Zinsen auf Gefahr und Kosten dieser Anleihegläubiger beim Amtsgericht Düsseldorf unter Verzicht auf das Recht der Rücknahme hinterlegen, auch wenn sich die Anleihegläubiger nicht in Annahmeverzug befinden. Mit der Hinterlegung erlischt jeglicher Anspruch dieser Anleihegläubiger gegen die Anleiheschuldnerin und gegen für die Erfüllung von deren Verbindlichkeiten haftende Dritte.

(6) Die in § 801 Absatz 1 Satz 1 bestimmte Vorlegungsfrist wird für die Teilschuldverschreibungen auf zehn Jahre verkürzt.

§ 7

Zahlstellen und Sicherheitenverwahrerin

(1) Zahlstellen (im folgenden die „Zahlstellen“) sind:

- a) Westdeutsche Landesbank Girozentrale
Herzogstrasse 15
D-40217 Düsseldorf
(die „Hauptzahlstelle“);
- b) Natexis Banques Populaires
115 rue Montmartre
F-75002 Paris; und
- c) WestLB International S.A.
32-34 Boulevard Grand Duchesse Charlotte
L-2014 Luxembourg.

(2) Die Anleiheschuldnerin kann mit Zustimmung der Hauptzahlstelle durch Veröffentlichung gemäß § 11 zusätzliche Zahlstellen bestellen oder die Bestellung einzelner Zahlstellen widerrufen.

(3) Die Hauptzahlstelle und die Zahlstellen handeln in ihrer Eigenschaft als solche ausschließlich als Beauftragte der Anleiheschuldnerin und stehen nicht in einem Auftrags- oder Treuhandverhältnis zu den Anleihegläubigern.

(4) Weder die Anleiheschuldnerin noch die Zahlstellen sind verpflichtet, die Berechtigung der Anleihegläubiger zu prüfen.

(5) There will at all times be (i) a Chief Paying Agent having a specified office in a European city and (ii), so long as the Bonds are listed on the Paris Stock Exchange, a Paying Agent in Paris and (iii), so long as the Bonds are listed on the Luxembourg Stock Exchange, a Paying Agent in Luxembourg.

(6) Westdeutsche Landesbank Girozentrale shall furthermore act as Security Custodian for the benefit of the Bondholders with such duties and rights as are expressly assigned to the Security Custodian in these Terms and Conditions of the Bonds.

(7) Any security to be granted pursuant to § 3 shall be granted to the Security Custodian or any person nominated by the Security Custodian. All rights arising from such security shall be held and exercised for the benefit of the Bondholders exclusively by the Security Custodian or by the person nominated by the Security Custodian, notwithstanding the occurrence of any of the events referred to in § 9.

(8) The Security Custodian is entitled to charge the Bondholders in proportion to their holdings any expenses it may incur in looking after the rights of the Bondholders, and to request an advance payment. The proceeds from the enforcement and foreclosure of any security granted shall be applied first to the costs and expenses of the Security Custodian reasonably incurred in connection therewith. The remaining amount shall be distributed to the Bondholders in proportion to their respective claims, and it shall first be applied against unpaid interest, then against unpaid principal and then against unpaid premium, if any.

(9) The Security Custodian, any nominee of the Security Custodian, the Chief Paying Agent and the Paying Agents shall only be held responsible for giving, failing to give, or accepting a declaration or for acting or failing to act on behalf of the Issuer or as Security Custodian for the Bondholders, respectively, if and insofar as they have failed to act with proper care and attention.

§ 8 Taxation

(1) The Bonds being issued outside the Republic of France, interest and other revenues in respect of the Bonds benefit under present law from the exemption provided for in Article 131 *quater* of the *Code Général des Impôts* (General Tax Code) from deduction of tax at source. Accordingly such payments do not give the right to any tax credit from any French source.

All payments of principal and interest shall be made without any deduction or withholding at source of any present or future taxes, duties or charges of whatever kind levied or imposed by or in the Republic of France unless the Issuer is compelled by law to make such deduction or withholding. Any such taxes, duties or charges levied or imposed by or in the Republic of France by way of deduction or withholding at source shall, to the fullest extent then permitted by law, be borne by the Issuer as additional amounts in such a way that after deduction of such taxes or duties, the Bondholders will receive the full amount which would have been due and payable in respect of the Bonds in the absence of such withholding.

(2) The Issuer, however, shall not be obliged to pay such additional amounts on account of such taxes, duties or charges,

(a) which are payable on payments of principal and interest otherwise than by deduction or withholding at source; or

(5) Es wird jederzeit (i) eine Hauptzahlstelle mit festgelegter Geschäftsstelle in einer europäischen Stadt und (ii), solange die Teilschuldverschreibungen an der Pariser Börse notiert werden, eine Zahlstelle in Paris und (iii), solange die Teilschuldverschreibungen an der Luxemburger Börse notiert werden, eine Zahlstelle in Luxemburg geben.

(6) Die Westdeutsche Landesbank Girozentrale wird ferner als Sicherheitenverwahrerin für die Anleihegläubiger mit den der Sicherheitenverwahrerin in diesen Anleihebedingungen ausdrücklich zugewiesenen Pflichten und Rechten tätig.

(7) Gegebenenfalls von der Anleiheschuldnerin gemäß § 3 zu bestellende Sicherheiten werden der Sicherheitenverwahrerin oder einer von dieser benannten Person bestellt. Alle Rechte an und aus den bestellten Sicherheiten werden ausschließlich von der Sicherheitenverwahrerin oder der von dieser benannten Person für die Anleihegläubiger gehalten und ausgeübt, ungeachtet des Eintritts eines der in § 9 genannten Fälle.

(8) Die Sicherheitenverwahrerin ist berechtigt, die ihr bei der Wahrnehmung der Rechte der Anleihegläubiger etwa entstehenden Kosten diesen im Verhältnis ihrer Anleiheforderungen in Rechnung zu stellen und von ihnen einen Kostenvorschuss anzufordern. Der aus der Durchsetzung und Verwertung von Sicherheiten erzielte Erlös wird zuerst auf die der Sicherheitenverwahrerin im Zusammenhang damit entstandenen angemessenen Kosten verrechnet. Der verbleibende Betrag wird im Verhältnis der jeweiligen Ansprüche der Anleihegläubiger an diese verteilt, und zwar zunächst auf rückständige Zinsen, sodann auf rückständiges Kapital und schließlich auf ein etwaiges rückständiges Aufgeld.

(9) Die Sicherheitenverwahrerin, jede von dieser benannte Person, die Hauptzahlstelle und die Zahlstellen haften dafür, daß sie für die Anleiheschuldnerin bzw. als Sicherheitenverwahrerin für die Anleihegläubiger Erklärungen abgeben, nicht abgeben oder entgegennehmen, Handlungen vornehmen oder unterlassen, nur dann, wenn und soweit sie die Sorgfalt eines ordentlichen Kaufmanns verletzten haben.

§ 8 Steuern

(1) Da die Anleihe außerhalb der Republik Frankreich begeben wird, sind nach derzeitigem Recht Zins- und sonstige Erträge aus den Teilschuldverschreibungen aufgrund der Ausnahmeregelung in Artikel 131 *quater* des *Code Général des Impôts* (Allgemeines Steuergesetz) von der Besteuerung an der Quelle befreit. Folglich gewähren solche Zahlungen nicht das Recht auf irgendwelche französischen Steuergutschriften.

Alle Zahlungen von Kapital und Zinsen sind ohne Einbehalt oder Abzug an der Quelle von irgendwelchen gegenwärtigen oder zukünftigen Steuern, Gebühren oder Abgaben, die von oder in der Republik Frankreich erhoben werden, zu zahlen, es sei denn, die Anleiheschuldnerin ist gesetzlich verpflichtet, solche Einbehalte oder Abzüge vorzunehmen. Etwaige von der Republik Frankreich durch Einbehalt oder Abzug an der Quelle erhobene Steuern, Gebühren oder Abgaben sind jeweils im vollen gesetzlich zulässigen Umfang von der Anleiheschuldnerin als zusätzliche Beträge in der Weise zu tragen, daß die den Anleihegläubigern nach einem solchen Einbehalt oder Abzug zufließenden Beträge den Beträgen entsprechen, die sie ohne einen solchen Einbehalt oder Abzug erhalten hätten.

(2) Die Anleiheschuldnerin ist jedoch nicht zur Zahlung zusätzlicher Beträge wegen solcher Steuern, Gebühren oder Abgaben verpflichtet,

(a) die auf andere Weise als durch Abzug oder Einbehalt an der Quelle auf Zahlungen von Kapital und/oder Zinsen zu entrichten sind; oder

(b) to which a Bondholder is subject for any reason other than the mere fact of his being a holder of Bonds or receiving principal or interest in respect thereof, in particular if the Bondholder is subject to such taxes, duties or charges on account of a personal unrestricted or restricted tax liability in France, or in another member state of the European Union if such taxes, duties or charges arise pursuant to legislation or regulations introduced as a result of a directive of the European Union; or

(c) which would not be payable if the Bondholder had duly presented his Bonds for payment within 30 days after the due date thereof or after the relevant date; if the full amount of the monies payable has not been received by the Chief Paying Agent on or before the due date, the relevant date for the beginning of such 30-day period shall be the day on which, the full amount of such monies having been so received, notice to that effect is duly given by the Chief Paying Agent in accordance with § 11.

(3) If at any time after the issuance of the Bonds the Issuer becomes obliged to pay additional amounts referred to in paragraph 1 of this § 8 as a result of a change in tax laws or their application, it shall be entitled, upon not less than three months' notice, to redeem prior to maturity all Bonds at par on the 18th day of each month. No such notice shall take effect prior to the 18th day of the month preceding the month in which payment of additional amounts or deduction or withholding of such taxes, duties or charges at source would be required for the first time. The interest accrued from the preceding interest date up to the redemption date shall be paid against surrender of the Bonds.

(4) Any notice for redemption shall be given by the Issuer by publication in accordance with § 11.

(5) Save for the events mentioned in this § 8, the Issuer shall not be entitled to redeem the Bonds prior to maturity.

§ 9 Events of Default

(1) Each holder of Bonds shall be entitled to declare his Bonds due and to demand immediate redemption of his Bonds at par plus accrued interest, if

(a) the Issuer, for any reason whatsoever, fails to make payment of principal and interest, including additional amounts according to § 8, if any, within 14 days after the due date thereof; or

(b) the Issuer, for any reason whatsoever, fails to duly perform any other obligation under these Bonds, and such failure continues for more than 30 days after receipt by the Issuer of written notice thereof by the Chief Paying Agent; or

(c) the Issuer fails (i) to fulfill any payment obligation in respect of borrowed monies or under a guarantee or an indemnity in respect of borrowed monies within any applicable grace period, or (ii) any such payment obligation, guarantee or indemnity becomes due and payable prematurely by reason of any actual or potential default, event of default or the like (how-

(b) denen ein Anleihegläubiger aus einem anderen Grund als der bloßen Tatsache, daß er Inhaber von Teilschuldverschreibungen oder Empfänger von Kapital oder Zinsen aus den Teilschuldverschreibungen ist, unterliegt, und zwar insbesondere wenn der Anleihegläubiger diesen Steuern, Gebühren oder Abgaben aufgrund einer persönlichen unbeschränkten oder beschränkten Steuerpflicht in Frankreich oder in einem anderen Mitgliedsstaat der Europäischen Union, falls solche Steuern, Gebühren oder Abgaben aufgrund von Gesetzen oder Verordnungen erhoben werden, die auf eine Richtlinie der Europäischen Union zurückgehen, unterliegt; oder

(c) die nicht zahlbar wären, wenn der Anleihegläubiger seine Teilschuldverschreibungen innerhalb von 30 Tagen nach Fälligkeit oder nach dem maßgeblichen Tag zur Zahlung vorgelegt hätte; sofern die Hauptzahlstelle die jeweils fälligen Beträge am oder vor dem Fälligkeitstag nicht erhalten hat, ist der für den Beginn der 30-Tage-Frist maßgebliche Tag der Tag, an dem gemäß § 11 angekündigt worden ist, daß die erforderlichen Beträge bei der Hauptzahlstelle bereitgestellt worden sind.

(3) Falls die Anleiheschuldnerin zu irgendeinem Zeitpunkt infolge einer Änderung des Steuerrechts oder seiner Anwendung nach der Begebung der Teilschuldverschreibungen zusätzliche Beträge gemäß Absatz (1) zu zahlen hat oder zu zahlen haben wird, ist die Anleiheschuldnerin berechtigt, sämtliche Teilschuldverschreibungen mit einer Frist von wenigstens drei Monaten zu jedem 18. Tag eines Monats zur vorzeitigen Rückzahlung zu kündigen. Diese Kündigung ist frühestens zu dem 18. Tag des Monats möglich, der dem Monat vorausgeht, in welchem erstmals zusätzliche Beträge zu zahlen wären bzw. derartige Steuern, Gebühren oder Abgaben im Wege des Abzuges an der Quelle abzuziehen oder im Wege des Einbehalts an der Quelle einzubehalten wären. Die vom vorausgehenden Zinstermin bis zum Rückzahlungstag aufgelaufenen Zinsen werden gegen Einreichung der Teilschuldverschreibungen gezahlt.

(4) Eine Kündigung durch die Anleiheschuldnerin erfolgt durch Veröffentlichung gemäß § 11.

(5) Abgesehen von den in diesem § 8 genannten Fällen ist die Anleiheschuldnerin nicht berechtigt, die Teilschuldverschreibungen zur vorzeitigen Rückzahlung zu kündigen.

§ 9 Kündigungsgründe

(1) Jeder Inhaber von Teilschuldverschreibungen ist berechtigt, seine Teilschuldverschreibungen fällig zu stellen und deren sofortige Rückzahlung zum Nennwert zuzüglich aufgelaufener Zinsen zu verlangen, wenn

(a) die Anleiheschuldnerin, gleichgültig aus welchen Gründen, Kapital oder Zinsen aus diesen Teilschuldverschreibungen, einschließlich etwaiger gemäß § 8 zu zahlender zusätzlicher Beträge, innerhalb von 14 Tagen nach dem betreffenden Fälligkeitstag nicht zahlt; oder

(b) die Anleiheschuldnerin die ordnungsgemäße Erfüllung einer sonstigen Verpflichtung aus diesen Teilschuldverschreibungen gleichgültig aus welchen Gründen unterläßt und die Unterlassung länger als 30 Tage andauert, nachdem die Anleiheschuldnerin hierüber eine schriftliche Mahnung von der Hauptzahlstelle erhalten hat; oder

(c) die Anleiheschuldnerin (i) einer Verbindlichkeit aus aufgenommenen Geldern oder aus einer Garantie oder Bürgschaft in bezug auf aufgenommene Gelder innerhalb einer angemessenen Nachfrist nicht nachkommt oder (ii) eine solche Verbindlichkeit, Garantie oder Bürgschaft aufgrund eines tatsächlichen oder möglichen Verzugs, Kündigungsgrunds oder dergleichen

soever described), or (iii) any security or collateral provided in respect of borrowed monies or a guarantee or indemnity in respect of borrowed monies becomes enforceable and the creditors entitled thereto are taking steps to enforce the same, provided that the aggregate amount of the relevant indebtedness, guarantees, indemnities, security and collateral in respect of which one or more of the events mentioned above in this paragraph (c) have occurred, equals or exceeds EUR 10,000,000 or its equivalent in any other currency; or

(d) the Issuer makes any proposal for a general moratorium in relation to its debt or applies for the appointment of a conciliator (*conciliateur*) or enters into an amicable settlement (*accord amiable*) with its creditors, or any judgement is issued for the judicial liquidation (*liquidation judiciaire*) of the Issuer, or for a judicial transfer of the whole of its business (*cession totale de l'entreprise*), or the Issuer is subject to any insolvency or bankruptcy proceedings or makes any judicial conveyance, assignment, or other judicial arrangement for the benefit of, or enters into a composition with, its creditors; or

(e) the Issuer announces that it is not in a position to meet its financial obligations; or

(f) the Issuer goes into liquidation or an order is made or an effective resolution passed for the winding-up or dissolution of the Issuer.

(3) A Bondholder shall exercise his right to declare his Bonds due by delivering or sending by registered mail to the Chief Paying Agent a written notice in which there shall be indicated the principal amount of the Bonds declared due. Such notice shall become effective on the 30th day after having been received by the Chief Paying Agent, unless in the event specified in paragraph 2 (a) and (c) the payment obligation has been discharged prior to such day or in the event specified in paragraph 2 (b) the obligation has been discharged or its discharge has been waived or postponed.

§ 10

Resignation of the Paying Agents and the Security Custodian

(1) Should any contingency arise which in the opinion of Westdeutsche Landesbank Girozentrale would result in its being unable to act as Chief Paying Agent, it will with the consent of the Issuer appoint another bank of international standing as Chief Paying Agent.

(2) If, in such case, Westdeutsche Landesbank Girozentrale should be unable to transfer its responsibilities as Chief Paying Agent, the Issuer shall be obliged to appoint another bank of international standing as Chief Paying Agent.

(3) A transfer of the chief paying agency function shall be published without delay by Westdeutsche Landesbank Girozentrale or by the Issuer, as the case may be, in accordance with § 11 or, should this not be possible, announced in some other way.

(4) The paragraphs (1) to (3) above shall apply mutatis mutandis to the other Paying Agents and the Security Custodian.

(5) The Security Custodian and the Paying Agents shall be exempt from the restrictions of § 181 BGB (German Civil Code) and, as far as legally possible, from any similar restrictions of the laws of other countries.

(wie auch immer beschrieben) vorzeitig fällig und zahlbar wird oder (iii) eine für aufgenommene Gelder gestellte Sicherheit oder eine Garantie oder Bürgschaft in bezug auf aufgenommene Gelder durchsetzbar wird und die anspruchsberechtigten Gläubiger Schritte zur Durchsetzung ergreifen, sofern sich der Gesamtbetrag der betreffenden Verschuldung, Garantien, Bürgschaften oder Sicherheiten, hinsichtlich derer einer oder mehrere der vorstehend in diesem Absatz (c) genannten Fälle eingetreten ist bzw. sind, auf mindestens EUR 10.000.000 oder den entsprechenden Gegenwert in einer anderen Währung beläuft; oder

(d) die Anleiheschuldnerin ein allgemeines Moratorium hinsichtlich ihrer Schulden vorschlägt oder die Einsetzung eines Schlichters (*conciliateur*) beantragt oder eine gütliche Einigung mit ihren Gläubigern (*accord amiable*) herbeiführt oder ein Urteil zur Liquidierung der Anleiheschuldnerin (*liquidation judiciaire*) oder zur Übertragung ihres gesamten Geschäftsbetriebs (*cession totale de l'entreprise*) im Rahmen eines Konkursverfahrens ergeht, oder die Emittentin einem Insolvenz- oder Konkursverfahren unterliegt oder eine gerichtliche Übertragung, Abtretung oder sonstige gerichtliche Vereinbarung zugunsten ihrer Gläubiger vornimmt oder trifft oder einen Vergleich mit ihren Gläubigern schließt; oder

(e) die Anleiheschuldnerin ihre Zahlungsunfähigkeit bekanntgibt; oder

(f) die Anleiheschuldnerin in Liquidation geht oder eine Anordnung oder ein wirksamer Beschluß zur Abwicklung oder Auflösung der Anleiheschuldnerin ergeht.

(3) Die Fälligkeitstellung hat in der Weise zu erfolgen, daß der Anleihegläubiger der Hauptzahlstelle eine schriftliche Kündigungserklärung übergibt oder durch eingeschriebenen Brief zusendet, in der der Nennbetrag der fällig gestellten Teilschuldverschreibungen angegeben ist. Die Fälligkeit tritt am 30. Tag nach Eingang der Kündigung bei der Hauptzahlstelle ein, es sei denn, daß vorher im Falle des Absatzes 2(a), oder (c) die Zahlungsverpflichtung erfüllt oder im Falle des Absatzes 2(b) die Verpflichtung erfüllt oder auf ihre Erfüllung verzichtet oder die Erfüllung aufgeschoben worden ist.

§ 10

Rücktritt der Zahlstellen und der Sicherheitenverwahrerin

(1) Sollten irgendwelche Ereignisse eintreten, die nach Ansicht der Westdeutsche Landesbank Girozentrale dazu führen, daß sie nicht in der Lage ist, als Hauptzahlstelle tätig zu werden, wird sie mit Zustimmung der Anleiheschuldnerin eine andere Bank von internationalem Rang als Hauptzahlstelle bestellen.

(2) Sollte die Westdeutsche Landesbank Girozentrale außerstande sein, die Übertragung der Stellung als Hauptzahlstelle vorzunehmen, ist die Anleiheschuldnerin verpflichtet, ihrerseits eine andere Bank von internationalem Rang als Hauptzahlstelle zu bestellen.

(3) Eine Übertragung des Zahlstellendienstes ist von der Westdeutsche Landesbank Girozentrale oder gegebenenfalls von der Anleiheschuldnerin unverzüglich gemäß § 11 oder, falls dies nicht möglich sein sollte, in sonstiger Weise öffentlich bekanntzumachen.

(4) Die vorstehenden Absätze (1) bis (3) gelten sinngemäß auch für die anderen Zahlstellen und die Sicherheitenverwahrerin.

(5) Die Sicherheitenverwahrerin und die Zahlstellen sind von den Beschränkungen des § 181 BGB und, soweit rechtlich zulässig, von vergleichbaren Beschränkungen des Rechtes anderer Länder befreit.

§ 11
Notices

All notices relating to the Bonds shall be published in a leading daily newspaper having general circulation (i) in Luxembourg, which is expected to be the *Luxemburger Wort*, and (ii) in France, which is expected to be *La Tribune* or *Les Echos*, or (iii) if publication therein shall not be practicable, in such other newspaper as the Chief Paying Agent shall deem necessary to give fair and reasonable notice to the Bondholders. Any notice so given will be deemed to have been validly given on the date of such publication (or, if published more than once, on the date of the first such publication).

§ 12
Governing Law and Jurisdiction

(1) The Bonds as to form and contents as well as the rights and duties arising therefrom shall be governed exclusively by the laws of the Federal Republic of Germany. Place of performance shall be Düsseldorf, Federal Republic of Germany.

(2) Place of jurisdiction in respect of all matters covered in these Terms and Conditions of the Bonds shall be Frankfurt am Main, Federal Republic of Germany. For litigation, if any, between the Bondholders and the Issuer before courts in the Federal Republic of Germany the latter authorizes Westdeutsche Landesbank Girozentrale, Herzogstrasse 15, 40217 Düsseldorf to accept service of process on its behalf. Any notice addressed to such process agent shall be marked for the attention of the Legal Documentation/Transaction Management Department 01-35810.

(3) The Bondholders are entitled to pursue their claims against the Issuer also before courts in the Republic of France, in which case German law shall likewise be applied.

(4) The courts in the Federal Republic of Germany shall have exclusive jurisdiction over the annulment of lost or destroyed Bonds.

§ 13
Severability

Should any of the stipulations contained in these Terms and Conditions of the Bonds be or become void or impracticable in whole or in part, the other stipulations shall remain in force. Any void or impracticable stipulation shall – to the extent permitted by law – be replaced by a stipulation which is in keeping with the purpose of the Terms and Conditions of the Bonds and the intention of the parties at the time of the conclusion of the Terms and Conditions of the Bonds. The same shall apply in the case of any unintentional gaps in these Terms and Conditions of the Bonds.

§ 11
Bekanntmachungen

Alle diese Teilschuldverschreibungen betreffenden Bekanntmachungen werden in einer führenden Tageszeitung von allgemeiner Verbreitung (i) in Luxemburg (dies wird voraussichtlich das *Luxemburger Wort* sein) und (ii) in Frankreich (dies wird voraussichtlich *La Tribune* oder *Les Echos* sein) veröffentlicht werden oder (iii), falls eine Veröffentlichung in diesen Zeitungen nicht möglich sein sollte, in einer anderen Zeitung, die die Hauptzahlstelle für eine angemessene Bekanntmachung an die Anleihegläubiger für erforderlich hält. Jede Bekanntmachung gilt als am Tag dieser Veröffentlichung (oder, falls sie mehr als einmal veröffentlicht wird, am Tag der ersten Veröffentlichung) als wirksam erfolgt.

§ 12
Anwendbares Recht und Gerichtsstand

(1) Form und Inhalt der Teilschuldverschreibungen sowie die sich daraus ergebenden Rechte und Pflichten bestimmen sich ausschließlich nach dem Recht der Bundesrepublik Deutschland. Erfüllungsort ist Düsseldorf, Bundesrepublik Deutschland.

(2) Gerichtsstand für alle sich aus den in diesen Anleihebedingungen geregelten Rechtsverhältnissen ergebenden Rechtsstreitigkeiten ist Frankfurt am Main, Bundesrepublik Deutschland. Für etwaige Rechtsstreitigkeiten, die vor Gerichten in der Bundesrepublik Deutschland zwischen den Anleihegläubigern und der Anleiheschuldnerin geführt werden, bestellt die Anleiheschuldnerin die Westdeutsche Landesbank Girozentrale, Herzogstr. 15, 40217 Düsseldorf zur Zustellungsbevollmächtigten. Alle Mitteilungen an die Zustellungsbevollmächtigte sollten an das Legal Documentation / Transaction Management Department 01-35810 adressiert werden.

(3) Die Anleihegläubiger sind auch berechtigt, ihre Ansprüche gegenüber der Anleiheschuldnerin vor Gerichten in der Republik Frankreich geltend zu machen. Auch in diesen Fällen ist das Recht der Bundesrepublik Deutschland anzuwenden.

(4) Die Gerichte der Bundesrepublik Deutschland sind ausschließlich zuständig für die Kraftloserklärung abhanden gekommener und vernichteter Teilschuldverschreibungen.

§ 13
Salvatorische Klausel

Sollten einzelne Bestimmungen dieser Anleihebedingungen ganz oder teilweise unwirksam oder nicht durchsetzbar sein oder werden, wird dadurch die Gültigkeit oder Durchsetzbarkeit der Anleihebedingungen im übrigen nicht berührt. Anstelle einer solchen Bestimmung gilt eine Regelung, die – soweit gesetzlich zulässig – dem Zweck der Anleihebedingungen und dem Willen der Parteien bei Abschluß der Anleihebedingungen am ehesten entspricht. Entsprechendes gilt im Fall von ungewollten Regelungslücken.

Sophia

Introduction

Sophia was established under the laws of the Republic of France as a limited liability company (*société anonyme*) on December 20, 1968 under the name of Interbail. It has the status of a credit institution ("*établissement de crédit société financière*") and as such is governed by law n° 84-46 of January 24, 1984 and supervised by the *Commission Bancaire*. The registered office of Sophia is at 63, avenue des Champs-Élysées, 75008 Paris, France. The Company is registered with *Registre du Commerce et des Sociétés de Paris* under n° B 315 228 163.

Sophia carries on two main types of business either directly or indirectly through its subsidiaries (together with Sophia, the "Group"): (i) a financing business which consists of managing a portfolio of leases in the amount of approximately FF 15.9 billion at the end of 1998 and (ii) a real-estate business which consists of holding and managing a property portfolio valued at FF 7.1 billion at the end of 1998.

Until 1996, Sophia had an active lease financing business but since then this side of the business has been sidelined.

On the other hand, Sophia has decided to develop its property business by acquiring new properties as well as other companies: the acquisition of Finextel, in July 1997 added 65 new properties worth FF 2.2 billion and that of Interbail in December 1998 added 107 properties worth nearly FF 2 billion.

In terms of the estimated value of its property portfolio, Sophia ranks seventh amongst the real-estate companies quoted on the Paris Stock Exchange and third amongst those companies specialising in investing in and financing corporate property.

Share Capital and Shareholders

As at December 31, 1999, Sophia had a share capital of Euro 253,216,630 made up of 25,321,663 fully paid-up shares of Euro 10 each. The share capital was comprised of 24,704,848 bearer shares, 581,454 registered shares with double voting rights and 35,361 registered shares with single voting rights.

Sophia's most important shareholder is the AGF group which holds 38.8% of Sophia's shares and 37.9% of voting rights in Sophia. Other major shareholders are: the Zurich group (2.6% of shares and 4.2% of voting rights), PHRV (2.3% of shares and 2.2% of voting rights), SICAV AGF (2.2% of shares and 2.1% of voting rights) and GENERALI France (2.0% of shares and 2.0% of voting rights). 52.1% of the shares in Sophia and 51.5% of voting rights are held by the public.

Capitalisation

The following table sets out the capitalisation of Sophia as at December 31, 1999 (preliminary and unaudited figures):

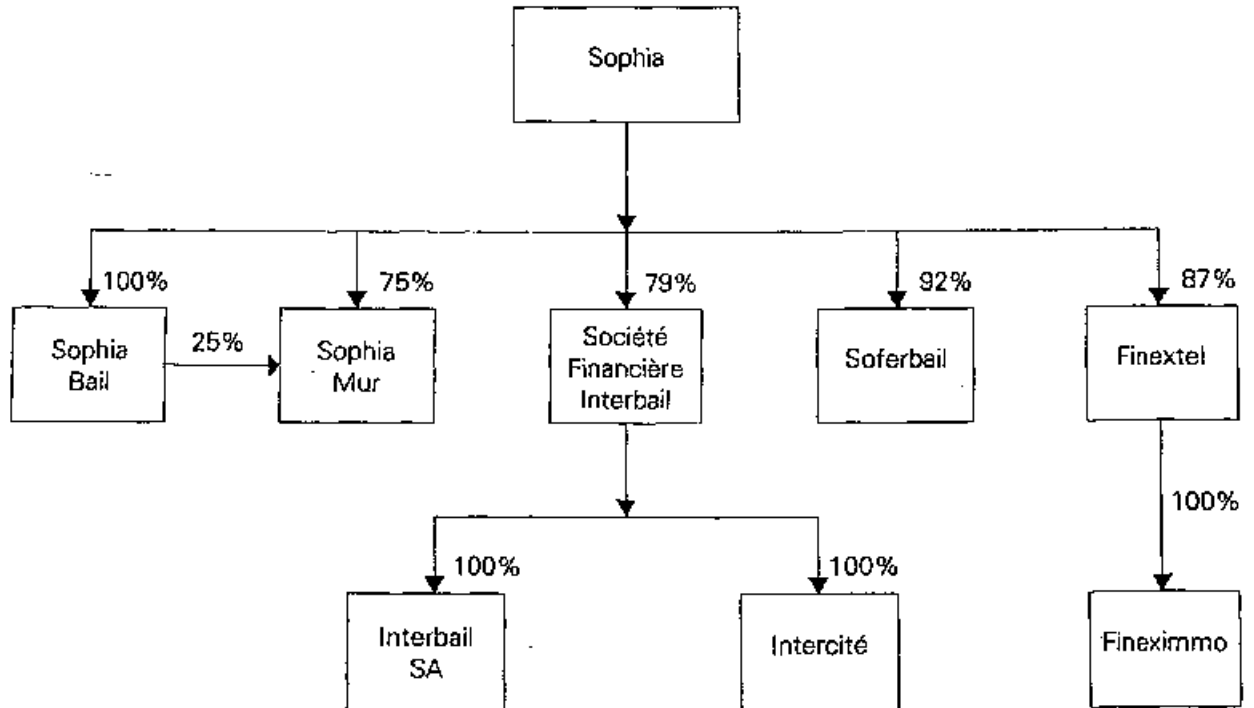
	December 31, 1999 (FF millions)
Shareholders' Equity	
Share Capital (Euro 253.2 million)	1,661
Reserves and Retained Earnings	1,368
Group Share	1,283
Minority Interests	85
Net Profit	n.a.
Group Share	n.a.
Minority Interests	n.a.
Total	n.a.
Subordinated Borrowings	26
Medium- and Long-term Borrowings	
Convertible Bonds	795
Other Bonds	8,567
Negotiable Instruments (BMTN)	1,831
Medium- and Long-term Borrowings from Credit Institutions	3,403
Other Borrowings	111
Total	14,707
Total Consolidated Capitalisation	n.a.

n.a. = not available

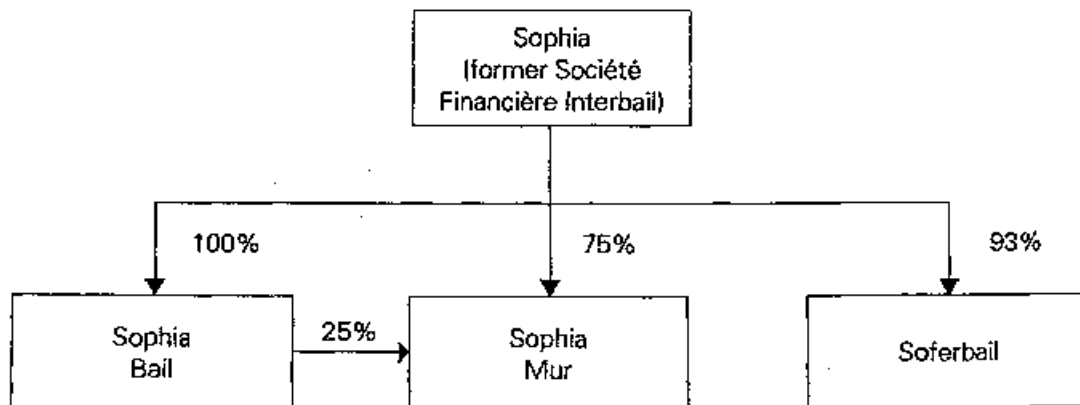
Other than the issue of the Bonds described in this Information Memorandum, there has been no material change in Sophia's capitalisation since December 31, 1999.

Organisation

The organisation of Sophia at the end of 1998 after the acquisition of Finextel and Interbail was as follows:



With the merger of different subsidiaries into each other and into Sophia which took place in November 1999 the Company simplified its organisation as follows:



Sophia Bail and Sophia Mur are managing part of the real-estate leasing portfolio of the Group whereas Soferbail finances public equipment.

Management

As at January 31, 2000 the management of the Issuer is exercised by the following members of the Board of Directors:

Jean-Claude Wagner, Président du Conseil (Chairman of the Board)

Rémy Gancel, Vice-Président Directeur Général (Deputy C.E.O.)

Géraud Brac de la Perriere, Administrateur (Director)

Alain Cazalé, Administrateur (Director)

Michel Dufief, Administrateur (Director)

Christian de Gournay, Administrateur (Director)

Luc Guinefort, Administrateur (Director)

Bertrand Letamendia, Administrateur (Director)

Gilles Pellegrino, Administrateur (Director)

Jean François Sammarcelli, Administrateur (Director)

AGF-Vie, represented by
François Thomazeau, Administrateur (Director)

GAN VIE, represented by
Daniel Fruchart, Administrateur (Director)

Generali France Ass., represented by
Gilles Sion, Administrateur (Director)

Zurich, represented by
Mathieu Feffer, Administrateur (Director)

Auditors

Deloitte Touche Tohmatsu – Audit

JMA – Janny Marque et Associés

Employees

As at January 31, 2000 the number of employees of the Issuer was 112 .

Activities

Strategy

Over the last two years, Sophia has completely changed the nature of its business activities by concentrating less on the leasing side of the business, which is becoming increasingly sidelined, and by focussing more on its property development activities (see "Property Development Activities" and "Financing Business" below).

Real-estate Business

The acquisition of Finextel in the middle of 1997 and Interbail at the end of 1998 form an integral part of the strategy to develop Sophia's property development activities. The acquisition of Interbail in particular resulted in an increase in the value of the real-estate held by the Group from FF 4.8 billion at the end of 1997 to FF 7.1 billion at the end of 1998. Similarly, rental income which totalled FF 279 million in 1997 (including rental income of Finextel for the second half of 1997) (FF 359 million including pro forma figures of Finextel for the whole financial year 1997) increased to FF 376 million in 1998 (without rental income of Interbail).

A programme to rationalise Sophia's property portfolio has been set up. This programme entails selling about 100 properties, in whole or in part, with a value of approximately FF 1 billion during the period 1999-2001. The properties disposed of are those which do not meet Sophia's criteria for its real-estate assets in terms of size, nature or location. The programme also aims to reduce the number of jointly-held properties and to this end there have been negotiations with the joint-owners.

Leasing Business

Over the last two years Sophia has very much sidelined the leasing side of its business: no new objectives have been set of late.

Outstanding leases managed by Sophia at December 31, 1998 are valued at around FF 15.9 billion. This value is decreasing by FF 1.5 billion every year and Sophia intends to accelerate this reduction in value should the opportunity arise.

Property Development Activities

As at December 31, 1998, the Group (henceforth including Interbail) possessed 259 properties with a total surface area of 1,057,340 m² and an estimated value of FF 7.1 billion (having increased from FF 4.8 billion at the end of 1997).

The properties are made up of

- 137 wholly-owned properties;
- 66 co-owned properties; and
- 56 jointly-owned properties.

Since the acquisition of Interbail, the estimated value of the Group's warehouses has been multiplied by 2.3. Warehouses with a space of 418,000 m² at the end of 1998 made up 13.2% of the estimated value of the portfolio (compared with 7.9% before Interbail's acquisition). The warehouse rents produced 17.2% of all rental income in 1998 (compared with 11.4% in 1997).

Sophia's office space (with a total surface area of more than 300,000 m²) produced more than 50% of all rental income in 1998 (compared with 64.4% at the end of 1997). The offices are mainly located in the business areas of central Paris and Western Paris as well as in the inner suburbs.

Business premises (165,000 m²) and retail premises (74,000 m²) contributed 14% and 8% to rental income in 1998.

The "hotels and other" sector of Sophia's real-estate business is essentially made up of four hotels ranging from three to four stars with a total capacity of 776 rooms. The hotels produced about 10% of rental income in 1998.

As at December 31, 1998, the level of occupation of properties had risen to 89.6% from 86.5% at the end of 1997. However, this figure does not accurately reflect the rental situation as at December 31, 1998. Several important properties which were undergoing heavy renovation were let in 1998, but the leases will only take effect in 1999. For example, the leases of properties in Montrouge, rue Barbès and Vélizy, avenue Morane Sauinier became only effective in May and June 1999. These properties were let for a total of FF 22.5 million. The level of occupation, corrected to take this into account, appears then as 92.4%.

New leases for the Group (not including Interbail) were signed in 1998 representing 65,000 m² of the Group's portfolio and a potential rental income of FF 66 million.

In 1998, Sophia took advantage of the scarcity of spacious new or renovated properties. Thus, leases were signed for seven renovated properties during the course of the year.

In 1998, FF 147 million worth of refurbishment were carried out – of which FF 98 million were treated as capitalised assets and FF 49 million were treated as current expenses for the 1998 financial year. During the 3 year period 1996 – 1998, the total refurbishment represented FF 276 million of which FF 189 million was capitalised.

In 1996, Sophia's cash flow levels totalled FF 315 million. 33% of this came from the management of its property portfolio. In 1998 the cash flow levels rose to FF 352 million with the real-estate business contributing more than 52% of this figure.

Financing Business

This side of the business has become noticeably less important over the last two years. The 1996 strategy which focuses on developing the Group's real-estate business has changed the financial data of Sophia.

Between 1996 and 1998, the profits of the financing side of the business decreased by about FF 15 million per year, a reduction of 20% over the two year period.

In 1998, the Group generated new lease contracts worth FF 134 million. A further FF 118 million were generated through the leasing of buildings previously included in the real-estate rental sector. A "risk only" commitment added another FF 220 million.

Throughout the course of 1998 there were four on-going finance lease transactions: three from the commercial sector (involving a supermarket extension and two new shop financings for a do-it-all specialist), and the fourth relating to an office block in the eighth *arrondissement* (district) of Paris.

In light of the fact that interest rates were decreasing sharply, the leasing business was carried out mainly at variable interest rates.

The leasing business operates in a stagnant market and therefore is not very profitable. There is considerable competition on the market fringes. In this context Sophia's operations comprise the renewal of existing leases already financed by the Group.

The acquisition of Soferbail in 1995 helped Sophia to develop its strategies in the area of public equipment financing (energy, car parks, etc).

In the context of its real-estate business, Sophia has limited itself to developing Soferbail's business by signing three new contracts in 1998 with regular clients worth FF 51 million: one contract concerned the installation of a heating system and the other two related to the school catering sector. Furthermore, 10 existing contracts were renewed.

Sophia has used its financial know-how to assist clients wishing to buy-out their rented properties. To this end, Sophia has committed itself through five contracts in 1998 for a total of FF 118 million. These contracts concerned buildings which had been previously let including a restaurant in the Parly II shopping centre and an office block in Paris (on the avenue Pierre 1er de Serbie). These represent FF 67 million worth of new commitments, producing a capital gain of FF 38 million. Finally, three contracts concerned hotels in Champs sur Marne, Reims and Nice, such contracts representing an undertaking of FF 51 million effective from January 1, 1999.

In contrast, seven buildings worth a net amount of FF 131 million were transferred from leasing to assets: three hotels, one warehouse, two office blocks and a shop.

Refinancing

Acting on its own behalf and on behalf of the Group, Sophia funds the major part of its financing requirements on the markets. Sophia aims to cover the financing granted by the Group in its activities at the best possible terms. The sources of funds of the Group include convertible bonds, other bonds, negotiable instruments and bank loans. The average term of the medium-and long-term debt of Sophia is 4.6 years.

Sophia's long-term debt has been rated "A-" by Standard & Poor's and "A" by Fitch Ibc.

Development in 1999

In 1999 the change in the scope of consolidation – with Interbail – should allow Sophia to multiply financing income by 1.3 and its property income by 1.6 (estimation: € 93 million) whilst property cash flow should increase by 30% (estimation: € 70 million).

Sophia has stopped the development of its financing business; these commitments will decrease over time. As this portfolio is completely refinanced and the client base of good quality, reserves for doubtful receivables have been reduced in 1999 and profits from this activity can be predicted over time.

Sophia started a building disposal and acquisitions programme to strengthen its property portfolio:

- The implementation of the disposals programme is a vital part of the process in taking over property companies: 26 buildings worth € 36 million were sold in 1999 and 40 buildings worth € 58 million were under sales contracts at the beginning of the present fiscal year.
- An active policy of property acquisitions is necessary to upgrade the overall quality of property assets: Sophia invested € 197 million mainly in the office sector, including two major new developments (€ 164 million), additional property interests in the Group's existing buildings (€ 25 million) and one of the latest generation of modern warehouses (€ 8 millions) on one of the best logistic sites of South East France.

Sophia has simplified its structures by merging the Group's three listed companies and three financial subsidiaries. Sophia has greatly streamlined its legal and fiscal management which will lower its operating costs.

Outlook for the present fiscal year

For 2000, rental income will be stable with the replacement of properties sold by properties purchased, whilst net financing income will decrease with the reduction of the financing portfolio.

Cash flow should improve by around 10% compared to 1999, influenced by a lower vacancy rate, the effect of leases already signed and a more efficient property portfolio.

This improvement can be expected as a result of Sophia's real estate assets strategy which has two objectives:

- 1) Upgrade global quality of property portfolio: the major refurbishment of the portfolio having been completed, Sophia will continue to renovate its buildings as opportunities present themselves. An active disposals programme will be pursued. Sophia projects the sale of buildings worth € 155 million within the next two years: 40% is already under sales contracts.
- 2) Increase in unit size and portfolio size: Sophia has an active policy of property acquisition, in line with its investment criteria, oriented towards modern and well adapted buildings, located in the business areas of Paris and its inner suburbs.

Finally, Sophia will look at all possible acquisitions of property companies to create more value whilst respecting its self-imposed financing ratios.

The French Property Market

The property market is going through a growth phase

The distinct recovery of the property market since 1997 has principally benefited the office and warehousing markets. At present there is a shortage of international quality office space, especially in Paris and the western suburbs, induced by increasing office space demand since 1996, and the absence of speculative developments since 1992.

This shortage of such space will continue into 2001, at which date new developments will arrive on the market. The ZAC Seine Rive Gauche (Left Bank development zone in the 13th district) in particular will contribute much of the new office space supply within the capital.

As this scenario is set to continue as the economy grows and property development is restricted by town planning and prudent lending practice rents will continue to rise.

Market outlook is favourable albeit more muted in other property sectors

In contrast, the market for business space (low bay warehousing & mixed office / production space) has had a less favourable performance. This sector's performance has been slowed by oversupply of units built 10 years ago of a certain unit size, specification and flexibility which are not compatible with the pattern the occupier needs today. Rental growth is more apparent with tertiary buildings with air-conditioning and greater prestige, and the larger high bay warehouses, destined for logistics companies and their distributors, operate on a European dimension.

The whole of the market will show positive growth until at least 2002

All the perspectives for the property sector are favourable as, whilst the market has experienced strong rental and capital growth, there has not been speculative purchasing, lessening the risks of the type of crisis seen in the early 1990s in the French property market.

Sophia is well positioned

Predominantly a specialist in the office sector, in particular in the different business districts of Paris and its western suburbs, Sophia is well positioned to take advantage of both increases in asset values as well as rental income, as letting takes effect.

Sophia

Consolidated Accounts for 1997 and 1998

Consolidated Interim Accounts as at June 30, 1999

Consolidated balance sheet as at December 31, 1998

Assets	<u>December 31, 1998</u>	<u>December 31, 1997</u>
	(FF millions)	
Cash, central banks, Giro	12	0
Receivables on financial institutions	501	468
Accounts receivable	344	178
Leasing operations	15,891	11,587
– Leasing operations	15,633	11,262
Telecom leasing	930	1,530
Industrial and commercial leasing	12,830	7,902
Sofergie and public equipment leasing	1,764	1,675
Unlet fixed assets	109	155
– Receivables from controlled entities	161	274
– Doubtful receivables	97	51
Ordinary rental operations	5,706	3,729
Bonds and other fixed income	576	0
Holdings, portfolio activity	9	0
Shares in affiliated companies	0	0
Shares in companies accounted for by the equity method	4	0
Intangible assets	1	1
Tangible assets	60	58
Other assets	391	345
Accruals	247	202
Asset goodwill	21	27
Total assets	<u>23,763</u>	<u>16,595</u>

Liabilities

	December 31, 1998	December 31, 1997
	(FF millions)	
Debts to financial institutions	5,475	3,778
– Payable at sight	1,065	903
– Term loan	4,347	2,819
– Payables to controlled entities	63	56
Accounts payable	149	141
– Payable at sight	1	1
– Term loan	148	140
Debts materialised by securities	13,200	8,315
– Cash vouchers	0	0
– Interbank market securities & negotiable debt notes	2,807	1,434
– Bond notes	9,980	6,636
– Payables to controlled entities	413	245
Other liabilities	929	822
Accruals	277	194
Provisions for contingencies and expenses	147	164
– Provisions for heavy work	25	95
– Provisions for contingencies	122	69
Investment subsidies	73	46
Subordinated Debt	31	0
Subscribed capital	1,112	1,110
Retained earnings	0	58
Consolidated reserves	1,907	1,597
– Group share	1,329	1,304
– Share of minority interests	578	293
Income of the year	213	187
– Group share	191	175
– Share of minority interests	22	12
Income awaiting approval	0	0
Liability goodwill	250	183
Total liabilities	<u>23,763</u>	<u>16,595</u>

Off balance sheet

	<u>December 31, 1998</u>	<u>December 31, 1997</u>
	(FF millions)	
Commitments given	970	584
Financing commitments	661	523
Commitments in favour of financial institutions	0	0
Commitments in favour of customers	661	523
- Leasing	524	499
- Ordinary rental	0	0
- Other	137	24
Security commitments	309	61
Commitments for account of financial institutions	238	60
Commitments for account of customers	71	1
Commitments received	524	272
Financing commitments	404	204
Commitments received from financial institutions	400	200
Commitments received from customer institutions	4	4
Security commitments	120	68
Commitments received from financial institutions	120	68

Off balance sheet appendix

	<u>December 31, 1998</u>	<u>December 31, 1997</u>
	(FF millions)	
Commitments on forward financial instruments	7,107	5,836
Transactions on interest rate instruments	7,107	5,836

Consolidated income statement for the year ended December 31, 1998

	<u>1998</u>	<u>1997</u>
	(FF millions)	
Turnover.....	2,442	2,523
– Industrial and commercial leasing	1,087	1,285
– Telecom leasing	672	615
– Sofergie leasing	275	311
– Real estate assets	376	279
– Sundry	32	33
Depreciation	(1,404)	(1,423)
– Industrial and commercial leasing	(528)	(643)
– Telecom leasing	(600)	(522)
– Sofergie leasing	(139)	(151)
– Real estate assets	(137)	(107)
Net refinancing cost	(660)	(673)
Net banking income	378	427
Overhead expenses	(97)	(89)
Expenses on properties	(105)	(53)
Allowances for depreciation	(2)	(7)
Allowances for provisions	33	(57)
Other revenues	1	0
Current income	208	221
Sundry capital gains	92	75
Provisions for property risks	(1)	(127)
Adjustment in goodwill value	13	9
Extraordinary income	(1)	(5)
Income before tax	311	173
Corporate income tax	(98)	14
Net profit	213	187
– Including the Group share	191	175
Cash flow	<u>352</u>	<u>333</u>

Consolidated balance sheet as at June 30, 1999 (Revised)

Assets	<u>June 30, 1999</u>	<u>June 30, 1998</u>
	(FF millions)	
Cash, central banks, Giro	1	0
Receivables on financial institutions	167	407
Accounts receivable	220	176
Leasing operations	15,166	10,787
– Leasing operations	14,838	10,610
Telecom leasing	659	1,139
Industrial and commercial leasing	12,468	7,749
Sofergie and public equipment leasing	1,642	1,621
Unlet fixed assets	69	101
– Receivables from controlled entities	239	129
– Doubtful receivables	69	48
Ordinary rental operations	5,569	3,769
Bonds and other fixed income	57	0
Holdings, portfolio activity	8	0
Shares in affiliated companies	0	0
Shares in companies accounted for by the equity method	5	0
Intangible assets	1	1
Tangible assets	99	58
Other assets	404	306
Accruals	298	192
Asset goodwill	20	26
Total assets	<u><u>22,015</u></u>	<u><u>15,722</u></u>

Liabilities

	June 30, 1999	June 30, 1998
	(FF millions)	
Debts to financial institutions	4,895	2,601
– Payable at sight	764	255
– Term loans	4,093	2,323
– Payables to controlled entities	38	23
Accounts payable	112	117
– Payable at sight	0	0
– Term loan	112	117
Debts materialised by securities	12,141	8,909
– Cash vouchers	0	0
– Interbank market securities & negotiable debt notes	1,994	1,397
– Bond notes	9,672	7,247
– Payables to controlled entities	475	265
Other liabilities	985	733
Accruals	246	205
Provisions for contingencies and expenses	137	141
Investment subsidies	72	45
Subordinated Debt	25	0
Subscribed capital	1,167	1,110
Retained earnings	0	0
Consolidated reserves	1,868	1,622
– Group share	1,277	1,324
– Share of minority interests	591	299
Income of the year	131	66
– Group share	110	60
– Share of minority interests	21	6
Income awaiting approval	0	0
Liability goodwill	236	173
Total liabilities	22,015	15,722

Off balance sheet

	<u>June 30, 1999</u>	<u>June 30, 1998</u>
	(FF millions)	
Commitments given	544	381
Financing commitments	345	344
Commitments in favour of financial institutions	0	0
Commitments in favour of customers	345	344
– Leasing	329	285
– Ordinary rental	0	0
– Other	16	59
Security commitments	199	37
Commitments for account of financial institutions	188	36
Commitments for account of customers	11	1
Commitments received	518	273
Financing commitments	404	204
Commitments received from financial institutions	400	200
Commitments received from customer institutions	4	4
Security commitments	114	69
Commitments received from financial institutions	114	69

Off balance sheet appendix

	<u>June 30, 1999</u>	<u>June 30, 1998</u>
	(FF millions)	
Commitments on forward financial instruments	7,165	5,852
Transactions on interest rate instruments	7,165	5,852

**Consolidated income statement
for the six months ended June 30, 1999
(Revised)**

	<u>Six months ended June 30, 1999</u>	<u>Six months ended June 30, 1998</u>
	(FF millions)	
Turnover	1,704	1,325
– Industrial and commercial leasing	929	546
– Telecom leasing	297	432
– Sofergie leasing	160	139
– Real estate assets	301	191
– Sundry	17	17
Depreciation	(954)	(786)
– Industrial and commercial leasing	(488)	(258)
– Telecom leasing	(272)	(391)
– Sofergie leasing	(78)	(70)
– Real estate assets	(116)	(67)
Net refinancing cost	(480)	(335)
Net banking income	270	204
Overhead expenses	(66)	(45)
Expenses on properties	(54)	(63)
Allowances for depreciation	(1)	(1)
Allowances for provisions	(11)	11
Other revenues	1	1
Current income	139	107
Sundry capital gains	(8)	1
Provisions for property risks	9	0
Adjustment in goodwill value	13	9
Extraordinary income	4	(6)
Income before tax	157	111
Corporate income tax	(26)	(45)
Net profit	131	66
– Including the Group share	110	60
Cash flow	<u>244</u>	<u>177</u>

Personnes qui assument la responsabilité de la note d'information

Au nom de l'Émetteur:

A notre connaissance, les données de la présente Note d'information sont conformes à la réalité et ne comportent pas d'omission de nature à en altérer la portée.

Aucun élément nouveau (autres que ceux mentionnés dans la présente Note d'information) intervenu depuis:

- le 23 avril 1999, date de l'enregistrement du Document de Référence,
- le 18 octobre 1999, date du Visa 99-1 280 apposé par la COB sur le document de fusion

n'est susceptible d'affecter de manière significative la situation financière de l'Émetteur dans le contexte de la présente émission.

SOPHIA

M. Jean-Claude WAGNER
Président du Conseil d'Administration

Au nom de la Banque Présentatrice

A notre connaissance, les données de la présente Note d'information sont conformes à la réalité et ne comportent pas d'omission de nature à en altérer la portée.

NATEXIS BANQUES POPULAIRES

M. Patrice COMPIN
Sous-Directeur

M. Bertrand GAFFET
Directeur Général Adjoint

Visa de la Commission des Opérations de Bourse

En vue de la cotation à Paris des obligations, et par application des articles 6 et 7 de l'ordonnance n°67-833 du 28 septembre 1967, telle que modifiée, la Commission des Opérations de Bourse a apposé sur la présente note d'information le visa n° 00-171 en date du 16 février 2000.

La notice légale sera publiée au Bulletin des Annonces Légales Obligatoires (BALO) du 18 février 2000. La présente Note d'information ne peut être distribuée en France avant la date effective de cotation de l'emprunt à la Bourse de Paris et la publicité légale au BALO.

Caracteristiques principales de l'émission

Emetteur:	SOPHIA
Co-Chefs de file:	NATEXIS BANQUES POPULAIRES ET WESTDEUTSCHE LANDESBANK GIROZENTRALE
Montant:	250.000.000 euros représentés par 250.000 obligations de 1.000 euros nominal
Forme des obligations:	au porteur
Date de jouissance et de règlement:	18 février 2000
Prix d'émission:	99,15% du montant nominal
Intérêts:	6,375%, payable annuellement à terme échu le 18 février de chaque année
Echéance:	le 18 février 2010
Amortissement normal:	au pair, en totalité le 18 février 2010
Amortissement anticipé:	L'émetteur s'interdit de procéder, pendant toute la durée de l'emprunt, à un remboursement anticipé des obligations, sauf en cas de modification du régime fiscal qui leur est applicable
Assimilation:	L'émetteur se réserve la possibilité d'émettre à tout moment et sans requérir le consentement des porteurs, de nouvelles obligations présentant les mêmes modalités et de procéder à l'assimilation de l'ensemble des obligations ainsi émises
Service financier:	Le service financier des obligations sera assuré par Westdeutsche Landesbank Girozentrale en qualité d'agent payeur principal à Dusseldorf, WestLB International S.A. à Luxembourg et Natexis Banques Populaires à Paris en qualité d'agents payeurs
Régime fiscal:	Les obligations étant émises hors de France, les paiements d'intérêt ou de tout autre revenu effectués par l'émetteur seront nets de tout prélèvement ou retenue à la source en France
Notation:	Le présent emprunt obligataire a reçu la note "A" de l'agence Fitch IBCA et la note "A-" de Standard and Poor's
Cotation:	Les obligations seront cotées au Premier Marché (compartiment international) de ParisBourse ^{SBF} S.A. et à la cote officielle de la Bourse de Luxembourg
Membre de marché spécialiste de la cotation:	NATEXIS CAPITAL
Introduceurs en Bourse:	NATEXIS BANQUES POPULAIRES pour la France WESTLB INTERNATIONAL S.A. pour le Luxembourg
Compensation:	Les obligations sont admises aux opérations de SICOVAM, Clearstream Banking (anciennement Cedelbank) et EUROCLEAR, sous les références suivantes: Code ISIN: FR 0000498255 Code Commun: 10725194 Code SICOVAM: 49825
Droit applicable:	Droit allemand