



**Final Terms dated 18 May 2007**

## **EXANE FINANCE**

as Issuer

Issue of 25,000 Certificates  
indexed to the Landesbanki Money Market Fund ISK

pursuant to the securities issue programme of Exane Finance  
unconditionally and irrevocably guaranteed by  
**EXANE SA**

Series No.: 1938  
Tranche No.: 1  
Issue price: 100% of the Nominal Value  
Maturity Date: 22 June 2017

An application has been made for the Certificates to be admitted to trading on the regulated market and the  
Luxembourg Stock Exchange

**EXANE LIMITED**

as Dealer

### **Risk Warning Notice**

*The Issuer draws the attention of investors to the fact that the Certificates are specialised financial instruments designed for investors familiar with this type of instrument and, because of the nature of these instruments, the value of the Certificates could fluctuate significantly and result, under certain circumstances, in the partial or total loss of the initial investment.*

## PART A – CONTRACTUAL TERMS

Unless otherwise required by the context, the terms and expressions used and not expressly defined in this Final Terms shall have the same meaning as in the Securities Conditions set forth in the Base Prospectus dated 23 November 2006.

The Base Prospectus constitutes a base prospectus for the purposes of the Prospectus Directive and the relevant implementing measures in Luxembourg. The present document constitutes the Final Terms of the Certificates described herein for the purposes of article 5.4 of the Prospectus Directive and the relevant implementing measures in Luxembourg.

The Final Terms must be read in conjunction with the Base Prospectus. Full information on the Issuer, the Guarantor and the offer of the Certificates is only available on the basis of the combination of these Final Terms and the Base Prospectus.

The Base Prospectus and these Final Terms are available for consultation and copies may be obtained at the registered office of the Issuer and on the website of the Issuer [www.exane.com/exaneissues](http://www.exane.com/exaneissues), and at the offices of the listing agents, BNP Paribas Securities Services, Luxembourg Branch and on the website of the Luxembourg Stock Exchange “[www.bourse.lu](http://www.bourse.lu)”.

## GENERAL PROVISIONS

<b>1. Issuer:</b>	Exane Finance
<b>2. Guarantor:</b>	Exane SA
<b>3. Calculation Agent:</b>	Exane SA
<b>4. Principal Paying Agent:</b>	Exane SA
<b>5. Settlement Confirmation Agent</b>	Not Applicable
<b>6. Underlying Asset Certificates:</b>	Not Applicable
Substitute Underlying Asset(s):	Not Applicable
<b>7. Type(s) of Underlying Assets</b>	
<b>Underlying Asset(s) OPC Units</b>	
(i) Underlying Asset(s):	Landesbanki Money Market Fund ISK
(ii) Class:	Not Applicable
(iii) Management Company:	Landsvaki hf
(iv) Maximum Subscription Fees:	0
(v) Maximum Redemption Fees:	0
(vi) Other Information:	Not Applicable
<b>8. Size of the Issue:</b>	25,000 Certificates
(i) Series	25,000,000.00 euros
(ii) Tranche	25,000,000.00 euros
<b>9. Nominal Value:</b>	1,000 euros per Certificate
<b>10. Issue Price:</b>	100% of Nominal Value
<b>11. Net Proceeds:</b>	25,000,000.00 euros
<b>12. Issue Date:</b>	8 June 2007
<b>13. Maturity Date:</b>	22 June 2017
<b>14. Settlement Date:</b>	Maturity Date
<b>15. Listing:</b>	Luxembourg

<b>16. Rating:</b>	Not Applicable
<b>17. Minimum Trading Number:</b>	1,000 euros then multiples of 1,000 euros
<b>18. Change in Interest Base or Settlement Base:</b>	Not Applicable
<b>19. (i) Series No.:</b>	1938
<b>(ii) Tranche No.:</b>	1
<b>20. Status of the Certificates</b>	Unsubordinated

#### PLEDGE OF FINANCIAL INSTRUMENTS ACCOUNT

<b>21. Additional guarantee in the form of a pledge of financial instruments account:</b>	Not Applicable
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#### PROVISIONS CONCERNING SETTLEMENT

##### **22. Final Settlement Amount**

- (i) Formula to be used to determine the Settlement Amount:

On the Maturity Date the Holder of a Certificate will receive the following cash amount in euros:

$$\text{EUR } 1,000 \times \left[ \frac{\text{EURISK}_{\text{initial}}}{\text{EURISK}_{\text{final}}} \right] \times \left[ \frac{\text{RV}_{\text{final}}}{\text{RV}_{\text{initial}}} \right] \times (1 - \text{Fee})^{10}$$

Where:

“EURISK<sub>initial</sub>” means the official spot exchange rate expressed as the number of Iceland Krona for one Euro, as published by the European Central Bank on 8 June 2007 on ECB Bloomberg page.

“EURISK<sub>final</sub>” means the official spot exchange rate expressed as the number of Iceland Krona for one Euro, as published by the European Central Bank on the Valuation Date on ECB Bloomberg page.

“RV<sub>initial</sub>” means the Reference Value on 8 June 2007.

“RV<sub>final</sub>” means the Reference Value on the Valuation Date.

“Reference Value” means the official net asset value of the Underlying multiplied by the Quantity

“Quantity” means 1.

“Fee” means 0.70%

- (ii) Cash Settlement and/or Physical Settlement:

Cash Settlement only

- (iii) Settlement Currency:

Euro (EUR)

- |       |   |                        |
|-------|---|------------------------|
| (iv)  | Option of the Issuer /Holder to change the delivery method: | Not Applicable         |
| (v)   | Valuation Date:   | 8 June 2017            |
| (vi)  | Valuation Time(s):  | Official closing price |
| (vii) | Other provisions or conditions applicable:                  | Not Applicable         |

**23. Early Settlement Amount**

Early Settlement Amount(s) paid in the event of early termination (Condition 8) and/or method for calculating this amount (if required or if different from what is stipulated in the Conditions):	Yes: Condition 8
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|---|----------------|
| <b>24. Automatic Early Settlement</b>                     | Not Applicable |
| <b>25. Settlement Option at the Issuer's discretion:</b>  | Not Applicable |
| <b>26. Settlement Option at the discretion of Holders</b> | Not Applicable |

**MARKET DISRUPTION AND ADJUSTMENTS**

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|--|----------------|
| <b>27. Other provisions concerning market disruption and adjustments</b> | Not Applicable |
| <b>28. Capitalised fair market value</b>                                 | Not Applicable |

**PROVISIONS CONCERNING THE INTEREST (IF ANY) TO BE PAID**

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|--|----------------|
| <b>29. Interest Commencement Date:</b>   | Not Applicable |
| <b>30. Stipulations concerning Fixed Rate Certificates:</b>                                | Not Applicable |
| <b>31. Stipulations concerning Floating Rate Certificates:</b>                             | Not Applicable |
| <b>32. Stipulations governing the Interest on Certificates referenced to a formula</b>     | Not Applicable |
| <b>33. Late payment interest in the event of late Payment or delivery (Condition 7(E))</b> | EONIA          |

**PLACEMENT**

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|---|----------------|
| <b>34. Name of Dealer:</b>                  | Exane Limited  |
| <b>35. Additional selling restrictions:</b> | Not Applicable |

**PRACTICAL INFORMATION**

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|--------------------------------|--|
| <b>36. Central depository:</b> | Euroclear France<br>115, rue Réaumur 75002 Paris, France |
| <b>37. Isin code:</b>          | FR0010474163   |
| <b>38. Common Code:</b>        | 030128494  |

39. **Other Code(s):** A0N738
40. **Name and address of the Paying Agent(s)** The Frankfurt Paying Agent shall be:  
BNP Paribas Securities Services SA, Frankfurt  
Branch  
Grüneburweg 14  
60322 Frankfurt Am Main - Germany

#### OTHER GENERAL PROVISIONS GOVERNING THE CERTIFICATES

41. **Form of the Certificates:** Certificates in book-entry form (*dématérialisés*)
- (i) Form of the Certificates: Holder
- (ii) Registrar: Not Applicable
42. **Additional Financial Market(s):** Not Applicable
43. **Information concerning Partly Paid-up Certificates:** Not Applicable
44. **Information concerning Certificates with Settlement by Instalments:** Not Applicable
45. **Stipulations concerning redenomination, changes in Nominal Value and convention :** Not Applicable
46. **Payment of commissions:** This Issue may be subject to payment of distribution or introduction of business fees
47. **Language** The French version of the Securities Conditions will be the binding language in relation to this issue.
48. **Other special terms or conditions:** The liquidity of the Certificates will be subject to the liquidity of the Underlying Asset CIS Units. Any particular condition on the Underlying Asset CIS Units will be applied on the Certificates.

#### PUBLIC OFFER(S)

- Public offer(s):** Applicable
- Member State(s):** The Securities will be offered to the public in Germany
- Notification** The *Commission de Surveillance du Secteur Financier*, which is the Luxembourg competent authority for the purpose of the Prospectus Directive and the relevant implementing measures in Luxembourg has provided to the BAFIN with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive and the relevant implementing measures in Luxembourg.

## **LISTING APPLICATION**

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Certificates described herein pursuant to Debt Securities Programme of Exane Finance.

**Listing:**

Luxembourg Stock Exchange

**Admission to trading:**

Application has been made for the Certificates to be admitted to trading on the Luxembourg Stock Exchange with effect from 8 June 2007

## **RESPONSIBILITY**

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

The Issuer:

The Guarantor:

By: Bertrand Léonard  
Deputy Managing Director

By: Bertrand Léonard  
Deputy Managing Director

## **PART B – OTHER INFORMATION**

### **1. Statement of Pledge**

Not Applicable

### **2. Acknowledgement of Pledge**

Not Applicable

### **3. Information on/Description of the underlying asset(s) of the Certificates:**

**Certificate linked to a CIS:**

<b>Description of the collective investment scheme :</b>	Landesbanki Money Market Fund ISK (Bloomberg code: LAISMMF IR Equity and ISIN code: IS0000007037)
<b>Management Company/Manager:</b>	Landesbanki hf
<b>Net Asset Value:</b>	On 16 May 2007 : 25.715
<b>Source of information about the past and the future performance of the underlying and its volatility:</b>	<a href="http://www.landesbanki.is/english/personal/mutualfunds/moneymarketfund">www.landesbanki.is/english/personal/mutualfunds/moneymarketfund</a> and Bloomberg

### **4. Performance of the Underlying Asset(s), effects on value of investment and associated risks**

A copy of the prospectus of the Underlying Asset, together with the performance of the Underlying Asset, the effects on the value of investment and associated risks can be found on the we site of the Management Company: [www.landesbanki.is](http://www.landesbanki.is)

### **5. Third Party Information**

Information contained in the Final Terms that is sourced from a third party has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer has also identified the source(s) of such information.

### **6. Offer**

The categories of potential investors to which the Certificates are offered are: German public

### **7. Interests of natural and legal persons involved in the Issue / Offer**

So far as the Issuer is aware, no person involved in the offer of the Certificates has an interest material to the offer.

### **8. Reasons for the Offer, estimated net proceeds**

- (i) Reasons for the offer: See "Use of Proceeds" wording in Base Prospectus
- (ii) Estimated net proceeds: 25,000,000 Euro
- (iii) Indication of Yield: Not Applicable

### **9. Placing and Underwriting**

Not Applicable

**10. Secondary Market**

Under normal market conditions Exane will provide on Reuter's screen EXANEDERIV and Bloomberg's screen EXANE with a daily valuation of the Certificate with a maximum bid ask spread of 1%. This quotation will be adjusted according to the Net Asset Value of the Solaris Opportunity Fund, tradable according to the rules of liquidity of the Fund.

**11. Tax treatment**

PROSPECTIVE PURCHASERS OF CERTIFICATES ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE CERTIFICATES, INCLUDING THE EFFECT OF ANY STATE OR LOCAL TAXES, UNDER THE TAX LAWS OF GERMANY, AND OF EACH COUNTRY OF WHICH THEY ARE RESIDENTS.

**12. Holder's representations**

By purchasing the Certificates, each Holder represents:

- (a) it has sufficient knowledge and experience and has taken such professional advice and has independently obtained such information as it thinks necessary to make its own evaluation of the merits and risks involved in purchasing the Certificates and in making an investment of this type;
- (b) it understands that the Final Settlement Amount will be dependent upon the performance of the Underlying(s) (as defined in Part B) (which contains substantial credit and interest rate risks);
- (c) it understands and agrees that the Issue Price may include an amount related to hedging arrangements entered into by the Issuer and a member of its group and the Certificates may be re-sold in the future at prices which may be greater or less than such price;
- (d) it understands that since the entity acting as Calculation Agent is the Guarantor, potential conflicts of interest may exist between the Guarantor in its capacity as the Calculation Agent, on the one hand, and the Holders on the other; and
- (e) it acknowledges that, in acting hereunder, the Calculation Agent is acting as agent of the Issuer and such entity shall not thereby assume any obligations towards or relationship of agency or trust for or with the Holders.