



B #:	1244-13
Date:	July 31, 2013
To:	All Participants
Category:	Dividends
From:	International Services
Attention:	Operations, Reorg & Dividend Managers, Partners & Cashiers
Subject:	TaxRelief - Country: France PPR CUSIP: 69353M109 Record Date: 06/19/2013 Pay Date: 07/31/2013 <u>Proceeds from Groupe FNAC S.A. shares</u>

Please read the following statement from Bank of New York Mellon, Citi, and Deutsche Bank on PPR ADRs:

"On June 20, 2013, along with the cash dividend, PPR SA announced distribution of Groupe FNAC S.A. shares to its common shareholders.

The Groupe FNAC S.A. shares were not registered under the United States Securities Act of 1933, therefore we were not permitted to pass the shares on to the holders of Depositary Receipts ("DRs"). As a result, BNY Mellon/Citibank/Deutsche Bank sold the shares in the local market and the proceeds received from the sale will be distributed to the DR holders of PPR SA.

The distribution of Groupe FNAC shares was taxable under French law, and was subject to French withholding tax. The distribution was made simultaneously with the payment of PPR's annual cash dividend. U.S. holders may be entitled to a reduced French dividend withholding tax rate of 15% under the French-U.S. tax treaty. DR holders who were eligible for tax relief under DTC's EDS procedure for the cash dividend will be eligible for the equivalent tax relief for the proceeds of the sale of the shares.

The tax calculation was based on one-eighth of the opening trading price of the Groupe FNAC share on the local Ex-Date of June 20, 2013, therefore 1/8 of 20.03 Euros, = 2.50375 Euros per ordinary share or 0.250375 Euros per DR."

Since the spin-off distribution was allocated along with the dividend. Funds will allocate based on the dividend elections that paid on 07/12/2013.

As per the statement from the depositories, ADR holders are not eligible for this spin-off. Each depository sold their shares at different FX rate and time resulting in different gross rates. However, the tax withheld is based on the conversation rate processed on 06/20/2013.

If you have any questions, please contact DTC's Customer Help Center at 1-888-382-2721.

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