



PSA PEUGEOT CITROËN



# Q1 REVENUES 2013

April 24<sup>th</sup>, 2013

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# Q1 2013 Highlights

- Restructuring plan: on track for Q2 2013
- Robust financial security: successful bond issues in Q1 for both PSA, and Banque PSA Finance with the State guarantee
- GM Alliance: first joint purchases undertaken, product & platform developments on going and new initiatives under review
- China: 3.9% market share and volumes up +31%
- Strong pipeline of new launches in Q2 and H2 2013. Introduction of the EMP2 platform
- Q1 Group revenues down 6.5% YoY, Automotive Division revenues down 10.3% in a European market at -10% vs. Q1 2012





## 2013 FIRST-QUARTER REVENUES

Jean-Baptiste de CHATILLON

CFO and Member of the Managing Board



# Q1 2013 Revenues\*: €13bn

<i>In million euros</i>	Q1 12	Q1 13	Change
Automotive	9,719	8,722	-10.3%
Faurecia	4,297	4,369	+1.7%
Banque PSA Finance	496	451	-9.0%
Other businesses and intra-company eliminations	(582)	(517)	-
<b>Total revenues</b>	<b>13,930</b>	<b>13,025</b>	<b>-6.5%</b>

\* Gefco revenues deconsolidated after the sale of 75% of the capital in 2012



# Market trends

—  $\Delta$  vs. previous year —

## Cars and light commercial vehicles – Market evolution

	Q1 2013
Europe 30	<b>-10%</b>
<i>Italy</i>	-14%
<i>France</i>	-14%
<i>Spain</i>	-12%
<i>UK</i>	+8%
<i>Germany</i>	-13%

	Q1 2013
China*	<b>+19%</b>
Latin America**	<b>+2%</b>
Russia	<b>0%</b>

\* Passengers vehicles on invoices market w/o imports

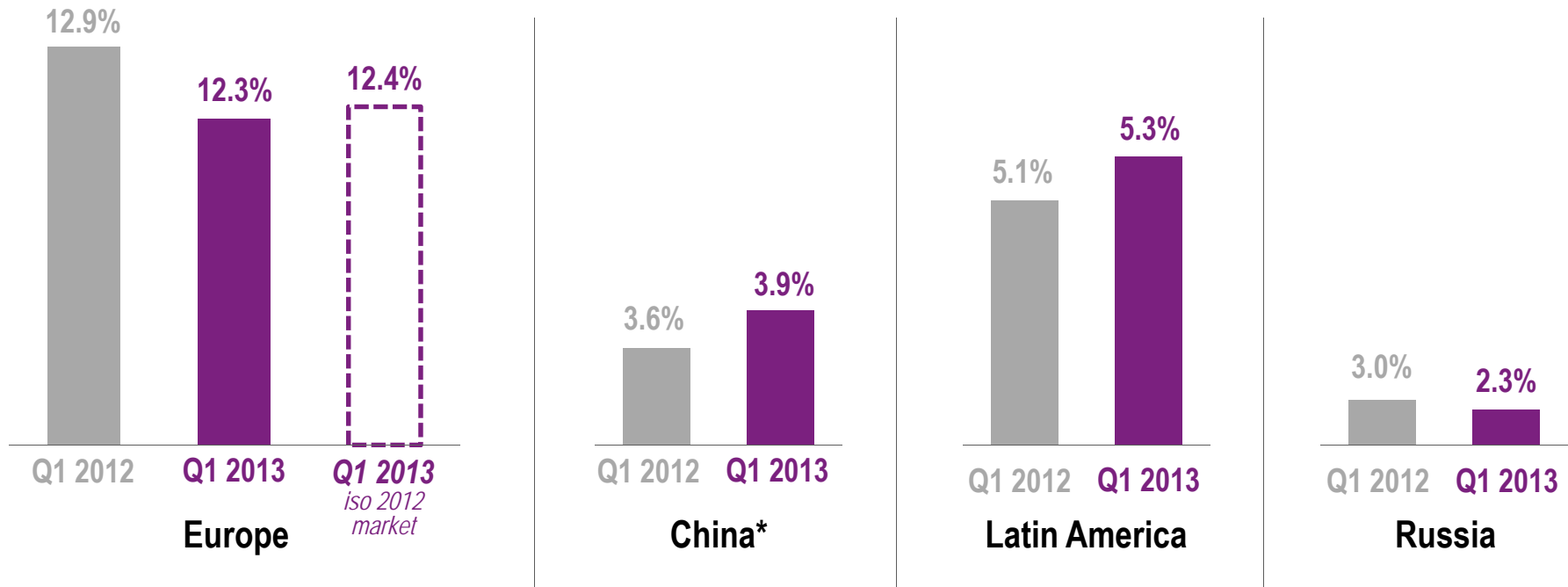
\*\* Brazil, Argentina, Chile, Mexico



# Automotive: market share

- ▶ LCV: European leader with 22.1% market share +1.1pt vs. Q1 2012
- ▶ China: reaping the benefits of successful range extension
- ▶ Latin America: +2.8pt market share in Argentina

## Cars and light commercial vehicles – market share



\* Passengers vehicles on invoices market w/o imports



# Automotive: worldwide unit sales

- ▶ Europe: strong market contraction in Q1 2013 and disruption of Citroën C3 production at Aulnay
- ▶ 43% sales volume outside Europe (excluding CKD): +10pts vs. Q1 2012

<i>In thousands units</i>	Q1 2012	Q1 2013	Δ
Europe	459	382	-16.9%
Russia	19	14	-26.7%
Latin America	52	65	+24.8%
Rest of the world	52	70	+35.8%
<b>Assembled vehicles (excluding China)</b>	<b>582</b>	<b>531</b>	<b>-8.8%</b>
China	109	143	+31.1%
<b>Total assembled vehicles</b>	<b>691</b>	<b>674</b>	<b>-2.5%</b>
Total CKD	99	0	-99.6%
<b>Total assembled vehicles + CKD units</b>	<b>790</b>	<b>675</b>	<b>-14.6%</b>

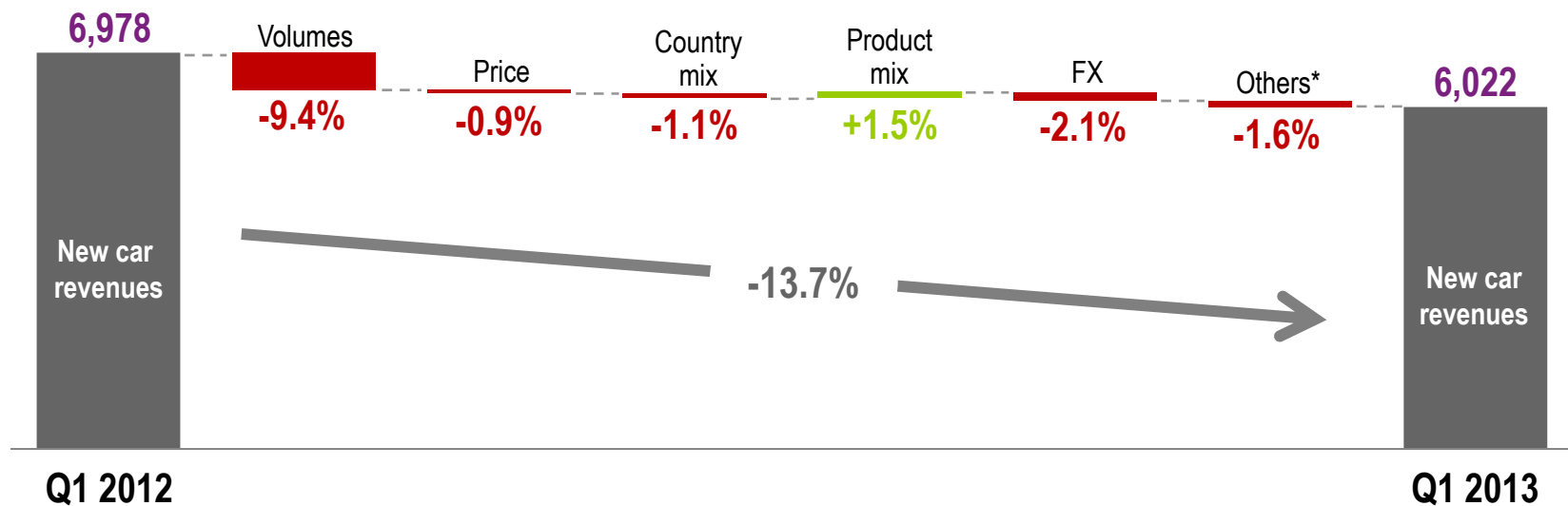




# Automotive: new car revenue analysis

- ▶ Unfavorable European context impact on volumes
- ▶ Price competition maintained
- ▶ Positive product mix contribution on top of a strong Q1 2012

— In million euros —



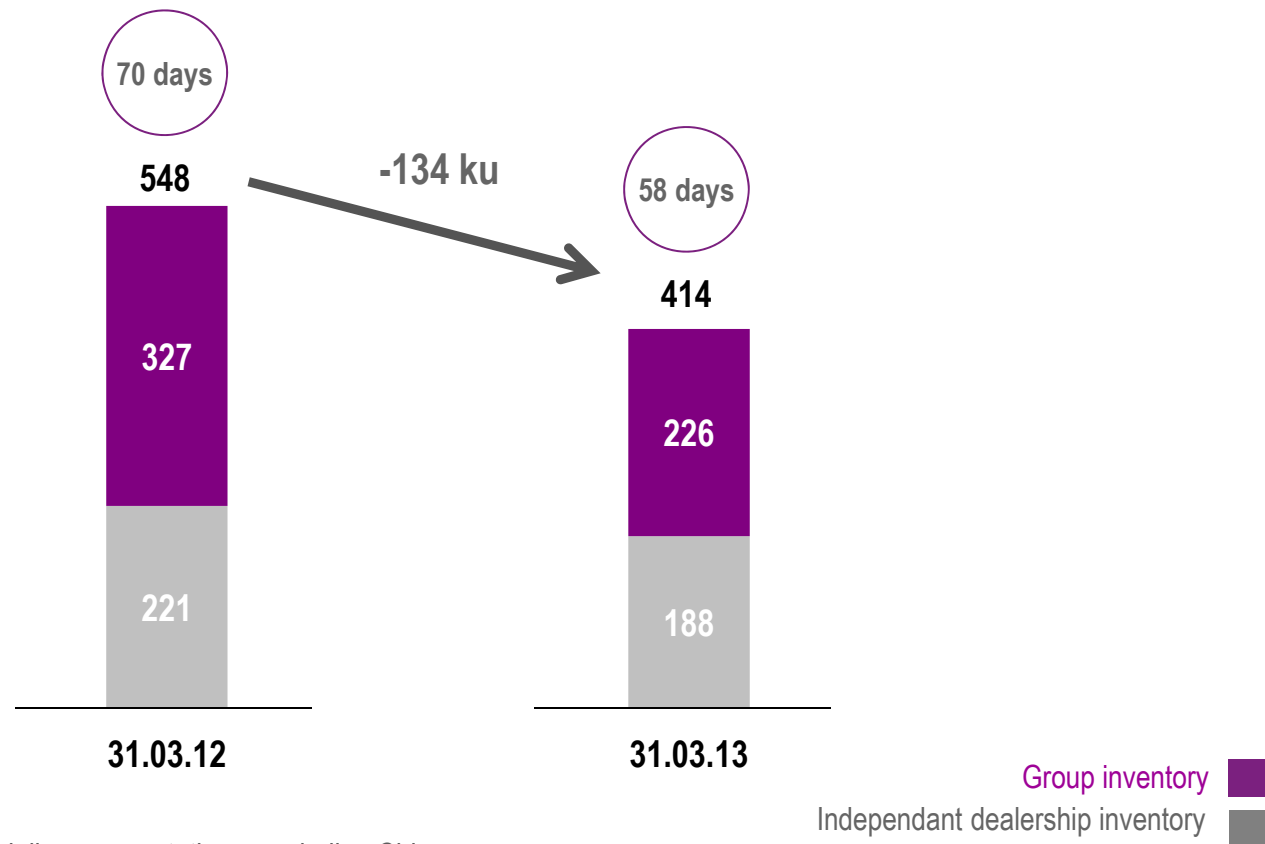
\* CKD, accounting treatment of buy back commitment, short term rental



# Inventories

- ▶ Q1 2013 inventories down 134k vehicles vs. Q1 2012
- ▶ Keeping an adequate level of inventories for 2013

*In thousands of new vehicles\**



\* World figures, based on forward 3 months delivery expectations, excluding China



# Banque PSA Finance

- ▶ €1.2bn bond issue successfully realized with French State guarantee
- ▶ Enhanced penetration rate
- ▶ Launch of Distingo on March 7<sup>th</sup>, first savings account for retail customers

<i>In million euros</i>	Q1 2012	Q1 2013	Change
Revenues	496	451	-9.0%
Total outstanding loans (end of period)	24.2bn	22.4bn	-7.6%
Number of new contracts (lease and financing)	210,000	189,000	-10.2%



► Sales +1.7%: Asia & North America compensate for decline in Europe

<i>In million euros</i>	Q1 2012	Q1 2013	Change
Automotive Seating	1,273	1,206	-5.3%
Interior Systems	845	968	+14.5%
Emissions Control Technologies Systems	823	827	+0.5%
Automotive Exteriors	412	416	+1.1%
<b>Total Product revenues</b>	<b>3,353</b>	<b>3,417</b>	<b>+1.9%</b>
Monolith revenues	723	687	-5.0%
Development, Tooling & Prototype revenues	220	265	+20.4%
<b>Total revenues</b>	<b>4,297</b>	<b>4,369</b>	<b>+1.7%</b>





## 2013 PRIORITIES UPDATE

# Robust level of financial security

## New financing successfully realized in Q1 2013

- PSA: €1bn bond issue with 5 year maturity successfully realized on February 28<sup>th</sup>
- Banque PSA Finance: financing secured, good visibility in amount & duration
  - ▶ €1.2bn bond issue with French state guarantee successfully placed, with temporary EC authorization on a first tranche of issuance
  - ▶ €11.5bn of medium term bank financing availability confirmed through new syndicated loan agreement, renewed credit lines and bilateral bank facilities
  - ▶ Launch of Distingo: first passbook savings account for retail customers
  - ▶ Securitization and collateralization at 25%





# Restructuring plan

## On track for Q2 2013

- First plan announced on November 2011 now achieved
- Second plan announced on July 2012: agenda on track for Q2 2013
  - ▶ Agreement signed by 5 unions on March 18<sup>th</sup>
  - ▶ Restructuring plan: final extraordinary committee scheduled on April 29<sup>th</sup>
  - ▶ Already 3,750 employment solutions for Aulnay, and 1,700 for Rennes, reindustrialization on track
- CICE (*“Crédit d’impôt pour la compétitivité et l’emploi”*) to be implemented in 2013



# Global Alliance with GM

## Joint Purchasing Organization in Europe launched:

- ▶ Common organization since February 25<sup>th</sup>
- ▶ 1<sup>st</sup> joint purchases undertaken



## Joint product developments & platforms ongoing:

- ▶ C-MPV and B-MPV developed on PSA platforms
- ▶ B-MPV development led by GM
- ▶ New B segment platform co-developed

New initiatives under review: considering additional synergies

Exploring opportunities in growth markets



# Record product cycle & innovations

## to support European market share

### Successful launches:

- ▶ Peugeot 208: 27,000 orders in March, 30% of the mix > level 3
- ▶ Citroën DS3 Cabrio: already 4,000 orders since launch
- ▶ Peugeot 301 & Citroën C-Elysée: 22.000 orders on Q1 2013
- ▶ Hybrid4: #2 in Europe

### Strong pipeline of new products as of Q2 2013:

- ▶ Peugeot 208 range broadened with GTI, XY, consolidating the 208 success
- ▶ Peugeot 2008 launch in May
- ▶ New Citroën C4 Picasso inaugurates the new EMP2 platform, and New Citroën C3

1,348 patent applications published in 2012 in France:  
#1 for the 6<sup>th</sup> consecutive year



# Globalization

## Focus on China

- Market share at 3.9%: 5% objective by 2015 confirmed
- Volumes up +31% & market share up 0.3pt versus Q1 2012
- Successful launches of the Peugeot 3008 & Citroën C4-L
- DPCA dividend up 19% to c. €100m
- CAPSA: start of production in H2 with the DS5, 26 stores open

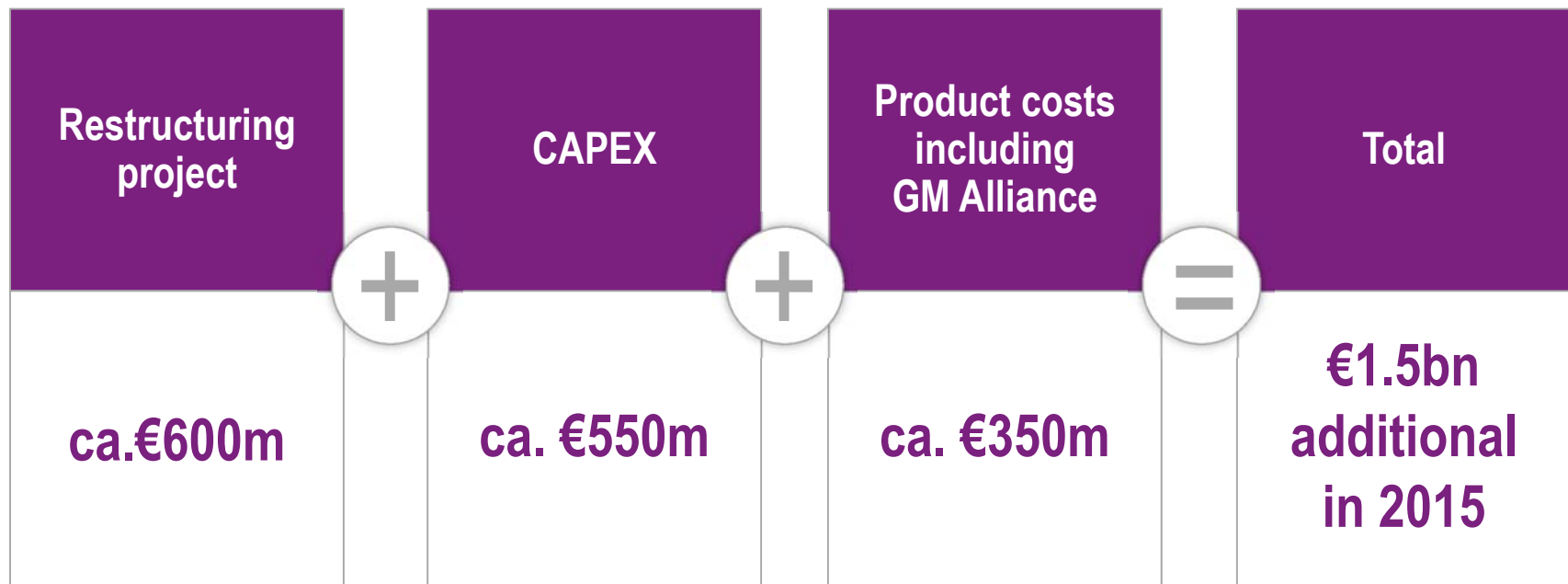




# OUTLOOK

# On the path to European turnaround

## Rebound 2015\*: restore automotive profitability in Europe



\* Underlying assumptions 2012-2015: European market & pricing stabilized at 2012 levels / Market share in Europe maintained at 13% unchanged, supported by new launches





## 2013 Group objective:

- ▶ Operational cash consumption rate reduced by half
- ▶ Market assumptions: Europe: c. -5%, China: c. +8%, Latin America: c. +2%, Russia: c. 0%

## 2014 Group objective:

- ▶ 2014 European market environment could be worse than previously expected. Operational initiatives to offset such potential deterioration are under review to maintain our objective of restoring breakeven in Group operational free cash flow by end 2014





## APPENDIX

# Worldwide unit sales

IN THOUSAND OF UNITS*		Q1 2012	Q1 2013	CHANGE
Europe**	AP	240,300	202,500	-15.7%
	AC	219,100	179,300	-18.2%
	<b>Total PSA</b>	<b>459,400</b>	<b>381,800</b>	<b>-16.9%</b>
Russia	AP	11,100	8,300	-25.2%
	AC	8,000	5,700	-28.8%
	<b>Total PSA</b>	<b>19,100</b>	<b>14,000</b>	<b>-26.7%</b>
LatAm	AP	32,500	38,400	18.2%
	AC	19,500	26,500	35.9%
	<b>Total PSA</b>	<b>52,000</b>	<b>64,900</b>	<b>24.8%</b>
China	AP	54,700	72,400	32.4%
	AC	54,400	70,600	29.8%
	<b>Total PSA</b>	<b>109,100</b>	<b>143,000</b>	<b>31.1%</b>
Rest of the world	AP	35,700	50,600	41.7%
	AC	16,200	19,900	22.8%
	<b>Total PSA</b>	<b>51,900</b>	<b>70,500</b>	<b>35.8%</b>
Total Assembled vehicles	AP	374,300	372,200	-0.6%
	AC	317,200	302,000	-4.8%
	<b>Total PSA</b>	<b>691,500</b>	<b>674,200</b>	<b>-2.5%</b>
CKD	AP	98,600	400	-99.6%
	AC	0	0	-
	<b>Total PSA</b>	<b>98,600</b>	<b>400</b>	<b>-99.6%</b>
Total Assembled vehicles + CKD units	AP	472,900	372,600	-21.2%
	AC	317,200	302,000	-4.8%
	<b>Total PSA</b>	<b>790,100</b>	<b>674,600</b>	<b>-14.6%</b>

\* Assembled vehicles, CKD units

\*\* Europe = EU + EFTA + Albania + Bosnia + Croatia + Kosovo + Macedonia + Montenegro + Serbia



# Delivering on globalization

Globalization on track to 50% of sales volume outside Europe in 2015

## China

- ▶ **>0.5 million units in 2013**
- ▶ **DPCA's 3<sup>rd</sup> plant (Wuhan III)** to operate in H2 2013
- ▶ **New launches in 2013:** Peugeot 3008, 301, Citroën C4-L, C-Elysée
- ▶ **Dividend up 19% at c. €100m**
- ▶ **2<sup>nd</sup> JV in China on track with DS line** and DS5 locally produced in H2 2013

## Latin America, Russia & Rest of the World

- ▶ **Unlocking the value of recent investments**
  - Range renewal in LatAm: Peugeot 208, 308, new C3, Citroën C4-L...
  - Commercial offensive in Russia: Citroën C4-L...
  - Exploration of opportunities with GM
- ▶ **Peugeot 301 & Citroën C-Elysée**
  - Produced in Vigo in Spain and in China from 2013
  - Dedicated to growth markets (Turkey, Russia...)



# Brand upscaling

<i>% of total sales</i>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>Q1 2013</b>
C & D segments	38%	40%	43%	45%	48%
A & B segments	46%	43%	38%	38%	35%
Premium vehicles*	9%	13%	18%	18%	18%

\* Premium vehicles: distinctive models from the A, B and C segments (Peugeot 207CC, 2008, 308CC, RCZ, 3008 , 4008 and Citroën DS3, DS4 and C4-Aircross) and models from the D and E segments (Peugeot 508, 407, 607,4007 and Citroën C5, C6, DS5 and C-Crosser)



# Decline in the European utilization rate

	2009	2011	2012	Q1 2013
Utilization rate*	80%	86%	75%	67%
<i>o/w A&amp;B</i>	87%	76%	72%	59%

\* 100% = 2 shifts working 8 hours / day, 235 days / year

