

PSA PEUGEOT CITROËN



FIRST HALF  
RESULTS  
**2013**



July 31<sup>st</sup>, 2013

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More comprehensive information about PSA PEUGEOT CITROËN may be obtained on group website ([www.psa-peugeot-citroen.com](http://www.psa-peugeot-citroen.com)), under Regulated Information.

■ H1 2013 Highlights

Philippe Varin

■ Financial results

Jean-Baptiste de Chatillon

■ Strategic update

Philippe Varin



# H1 2013 HIGHLIGHTS

Philippe Varin  
Chairman of the Managing Board

# H1 2013 Highlights

## Solid progress of turnaround plans

- Group Recurring Operating Income: -€65M in H1 2013, with -€510M on Automotive division
- Free Cash Flow: €203M excluding restructuring and exceptional
- Financial security strengthened at €11.8bn and State guarantee for Banque PSA Finance: approval granted by EU on July 30th
- Successful launches of Peugeot 2008, Peugeot 208 GTI and XY, Peugeot 301, new Citroën C4 Picasso, Citroën C4 L, DS3 Cabrio and C-Elysée
- Rebound plan on track and further steps under negotiation
- China: +33% growth in sales
- GM Alliance: first savings



# H1 2013 Financial Results

Jean-Baptiste de Chatillon

CFO and Member of the Managing Board

# Group results

▶ H1 2013 Group ROI at -€65M and Group Net income at -€426M

<i>In million euros</i>	H1 2012 *	H1 2013
Revenues	28,809	27,710
<b>Recurring operating income **</b>	<b>(51)</b>	<b>(65)</b>
% of revenues	-0.2%	-0.2%
Non-recurring operating income and (expenses)	(420)	30
<b>Operating income</b>	<b>(471)</b>	<b>(35)</b>
Net financial income (expenses) **	(268)	(246)
Income taxes **	(90)	(211)
Share in net earnings of companies at equity	47	96
Consolidated net income/(loss)	(744)	(398)
<b>Net income, Group share</b>	<b>(818)</b>	<b>(426)</b>
Earnings per share (in euros)	(2.72)	(1.25)

\* Gefco: restated with IFRS 5 compliance, Gefco held as discontinued activities

\*\* IAS 19R: H1 2012 restated €8M on Group ROI o/w €5M on Automotive Division ROI

# Recurring operating income by division

► Negative European environment impacting all activities

<i>In million euros</i> **	H1 2012 *	% margin	H1 2013	% margin
Automotive	(657)	-3.3%	(510)	-2.7%
Faurecia	304	3.5%	256	2.8%
Banque PSA Finance	271	-	205	-
Others businesses and eliminations	31	-	(16)	-
<b>PSA Peugeot Citroën</b>	<b>(51)</b>	<b>-0.2%</b>	<b>(65)</b>	<b>-0.2%</b>

\* Gefco: restated with IFRS 5 compliance, Gefco held as discontinued activities

\*\* IAS 19R: H1 2012 restated €8M on Group ROI o/w €5M on Automotive Division ROI

## Automotive: worldwide unit sales \*

- ▶ Decline in Europe sales compensated by volumes increase in China, Argentina and Mediterranean basin
- ▶ Globalization: volumes outside Europe up to 41% in H1 2013 vs 34% in H1 2012 (ex CKDs)

<i>In thousands units</i>	H1 2012	Q1 2013/12	Q2 2013/12	H1 2013	Δ
Europe	<b>980</b>	-16.9%	-9.1%	<b>855</b>	-12.8%
Russia	<b>41</b>	-26.6%	-18.7%	<b>32</b>	-22.0%
Latin America	<b>122</b>	24.9%	16.4%	<b>146</b>	19.7%
Rest of the world	<b>124</b>	35.4%	8.7%	<b>149</b>	20.2%
<b>Assembled vehicles (excluding China)</b>	<b>1,267</b>	<b>-8.9%</b>	<b>-5.0%</b>	<b>1,182</b>	<b>-6.7%</b>
China	<b>209</b>	31.1%	35.1%	<b>278</b>	33.0%
<b>Total assembled vehicles</b>	<b>1,476</b>	<b>-2.5%</b>	<b>0.2%</b>	<b>1,460</b>	<b>-1.1%</b>

\* Deliveries of CKD Iran suspended since Feb. 2012

First Half Results 2013 – July 31<sup>st</sup>, 2013

# Market trends

## ► Unfavorable country mix in Europe

### Cars and light commercial vehicles – market evolution

— Δ vs. previous year —

	H1 2012	H1 2013
Europe 30	<b>-7%</b>	<b>-7%</b>
Italy	-21%	-11%
France	-13%	-11%
Spain	-10%	-5%
UK	+1%	+10%
Germany	+1%	-8%

	H1 2012	H1 2013
China *	<b>+7%</b>	<b>+16%</b>
Latin America **	<b>+2%</b>	<b>+6%</b>
Russia	<b>+14%</b>	<b>-6%</b>

\* Passengers vehicles on invoices market w/o imports

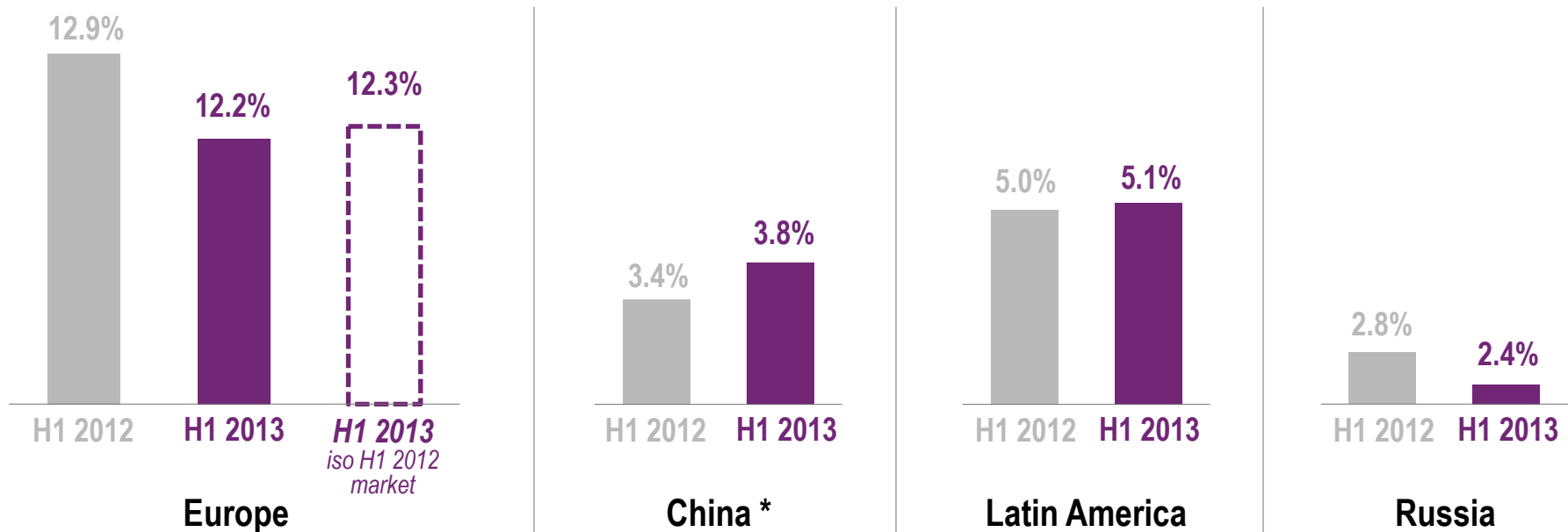
\*\* Brazil, Argentina, Chile, Mexico

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## Automotive: market share

- ▶ Europe: 0.7pt drop reflecting partly unfavorable country and channel mix, and Citroën C3 disruption on H1
- ▶ China: 3,8% market share, outperforming market growth
- ▶ LCV: European leadership with 21% market share, in a market -6.5% in H1 2013

### Cars and light commercial vehicles – market share



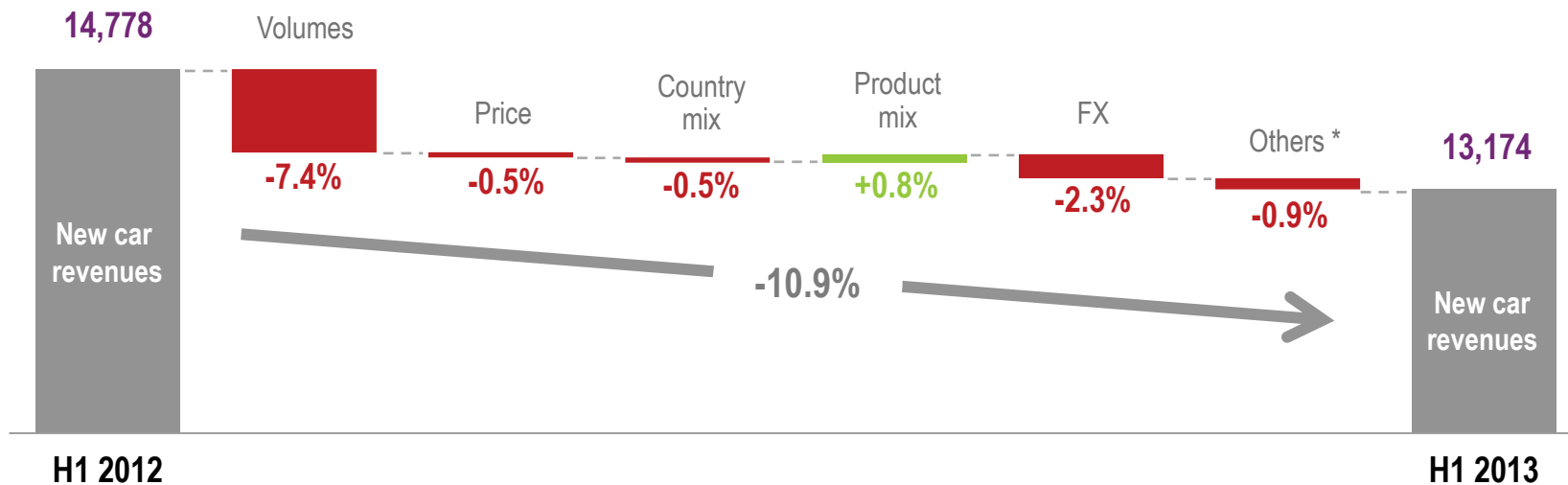
\* Passengers vehicles on invoices market

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# Automotive: new car revenue analysis

► Unfavorable European context weighting on volumes

— In million euros —



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

# Automotive: recurring operating income \*

- ▶ Operating environment: Headwinds in market and Forex
- ▶ Performance boosted by product mix enhancement and production and procurement

In million euros



\* IAS 36 on Automotive division impact: +€309M on H1 2013 registered on Production & procurement and R&D and input costs

\*\* IAS 19R: H1 2012 restated +€5M on Automotive Division ROI

\*\*\* R&D €82M o/w +€154M in gross R&D and -€207M from higher amortization and lower activation rate

# Banque PSA Finance

- ▶ Successful launch of Distingo after 4 months: more than €780M outstanding in June
- ▶ €7bn State guarantee for new bond issues: approval granted by EC on July 30th
- ▶ Strong development in insurance and services, with a level of risk well contained

<i>In million euros</i>	H1 2012	H1 2013	Δ
Revenues	979	888	-9.3%
Net banking revenue	542	458	-15.5%
Cost of risk (in % of average loans)	0.65%	0.55%	
<b>Recurring operating income</b>	<b>271</b>	<b>205</b>	<b>-24.4%</b>
Penetration rate	28.1%	28.4%	+0.3pt
Number of new contracts (lease and financing)	413,531	375,820	-9.1%
<b>Total outstanding loans *</b>	<b>24.7bn</b>	<b>22.3bn</b>	<b>-9.8%</b>

\* End of period

First Half Results 2013 – July 31<sup>st</sup>, 2013

- ▶ ROI of €256M reflecting tough European markets but increase of sales outside Europe
- ▶ Cash flow generation improving and net debt reduced

<i>In million euros</i>	H1 2012	H1 2013	Δ
Revenues	8,765	9,265	500
<b>Recurring operating income</b>	<b>304</b>	<b>256</b>	<b>(48)</b>
% of revenues	3.5%	2.8%	
Non-recurring operating income and (expenses)	(37)	(41)	(4)
<b>Operating income</b>	<b>266</b>	<b>215</b>	<b>(51)</b>
Net financial income (expenses)	(89)	35	
<b>Consolidated net income for the period</b>	<b>142</b>	<b>60</b>	<b>(82)</b>
% of revenues	1.6%	0.6%	
Free Cash Flow	(205)	73	
Net financial position *	(1,643)	(1,853)	

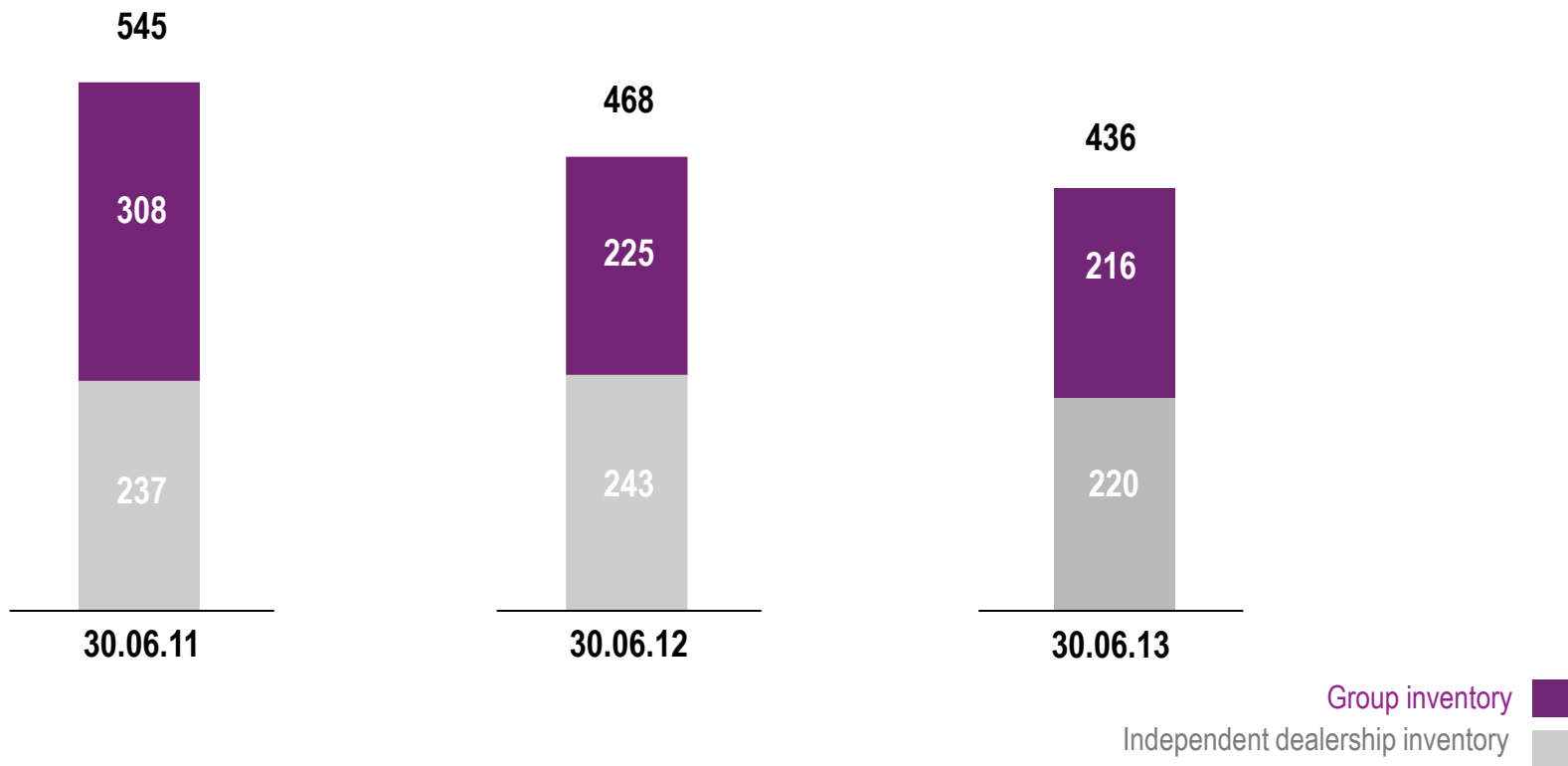
\* End of period

First Half Results 2013 – July 31<sup>st</sup>, 2013

# Inventories

- ▶ H1 2013 inventories down 32k vehicles vs H1 2012 and 72 days of sales
- ▶ Inventories under control, in line with objectives

*In thousands of new vehicles \**



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

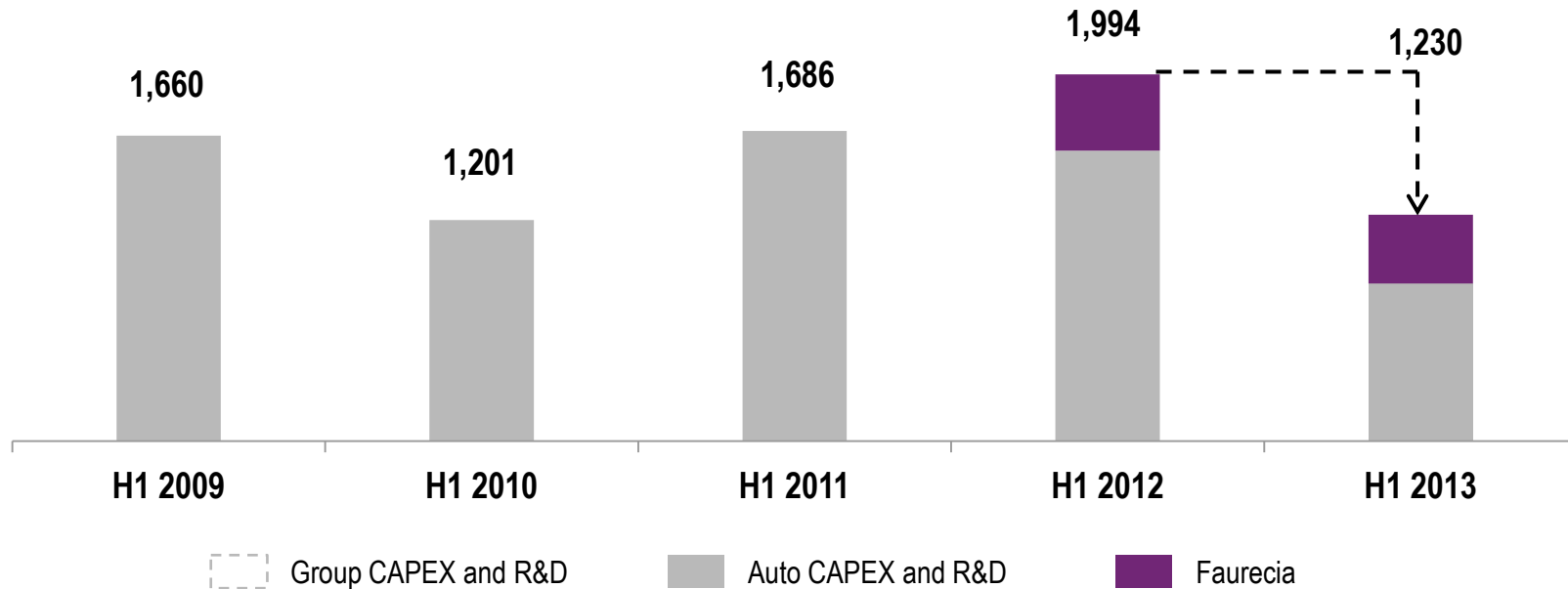
First Half Results 2013 – July 31<sup>st</sup>, 2013

## More focused investments and leverage scale

- ▶ Minimum €600M reduction in CAPEX & capitalized R&D confirmed in 2013
- ▶ 2011 and 2012 CAPEX peak with capacity expansion outside Europe and EB engine development

In million euros

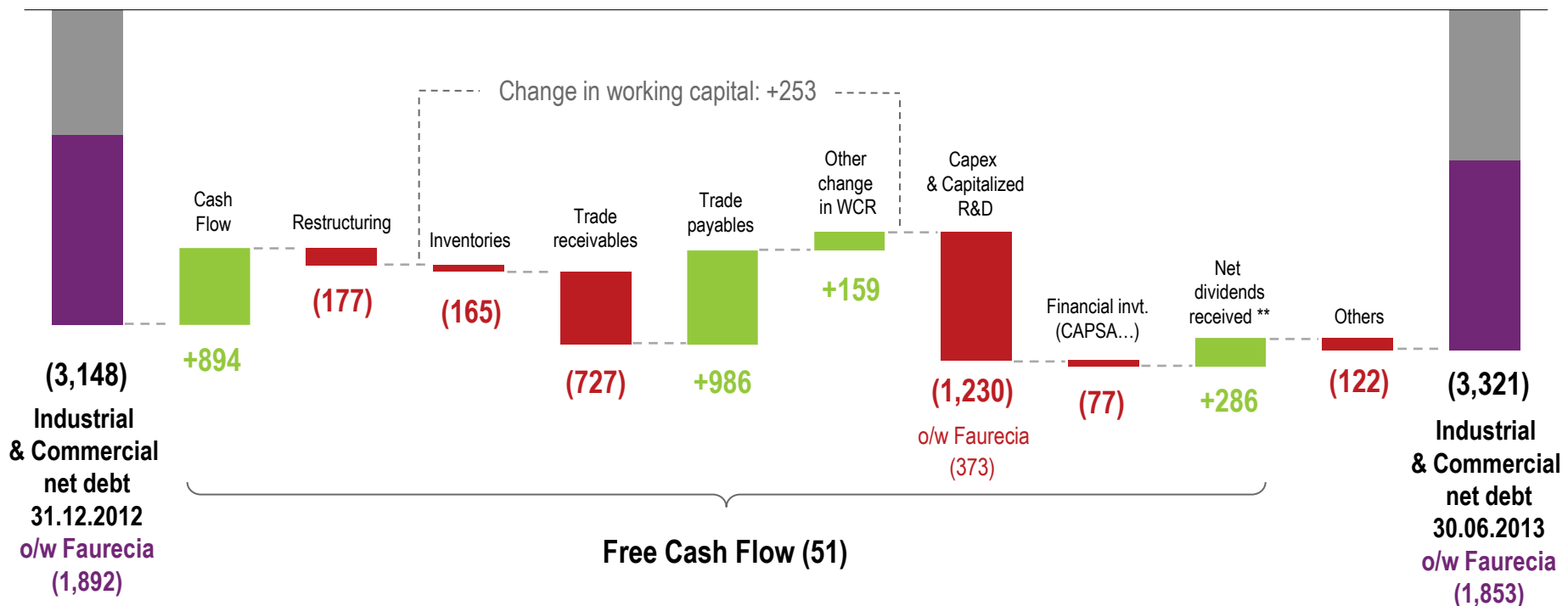
c. -€764M in Capex  
& Cap. R&D



# Cash flow analysis

▶ Operational Free cash flow ex. restructuring & exceptional: €203M, of which €73M for Automotive division \* and €130M for Faurecia

In million euros



\* Industrial and commercial, excluding Faurecia

\*\* From Group companies

► Financial security reinforced to €11.8bn

<i>In million euros</i>	End 2011	End 2012	H1 2013
Cash and cash equivalents	5,190	5,421	8,070
Current & non current financial assets	1,300	1,903	489
<b>Total</b>	<b>6,490</b>	<b>7,324</b>	<b>8,559</b>
<b>Back-up facility (undrawn) – excluding Faurecia</b>	<b>2,400</b>	<b>2,400</b>	<b>2,400</b>
<b>Back-up facility (undrawn) – Faurecia</b>	<b>660</b>	<b>850</b>	<b>800</b>
<b>Total financial security</b>	<b>9,550</b>	<b>10,574</b>	<b>11,759</b>
Net debt position	3,359	3,148	3,321
Total equity	14,364	10,167 *	9,559
<b>Gearing</b>	<b>23%</b>	<b>31%</b>	<b>35%</b>

\* IAS 19R restated

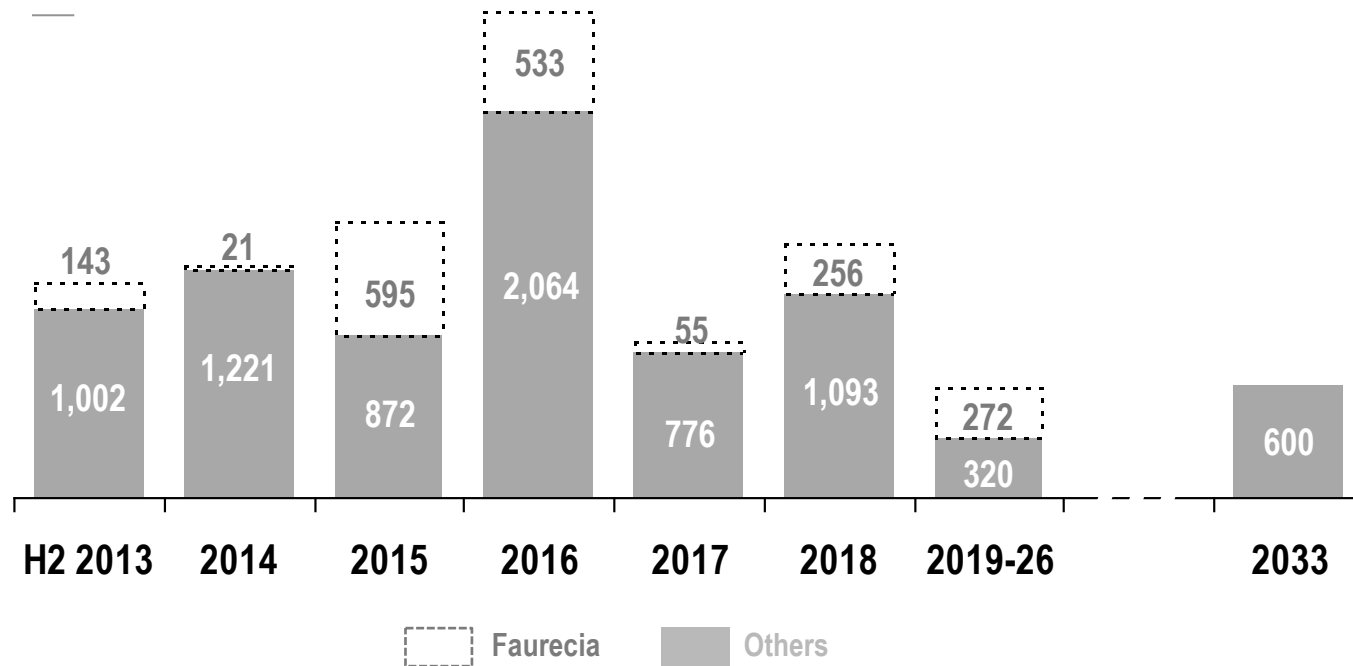
First Half Results 2013 – July 31<sup>st</sup>, 2013

# Financial structure & financing targets

- ▶ €1bn bond issue with 5 year maturity successfully realized on February 28<sup>th</sup>
- ▶ Next bond redemption in October
- ▶ Average maturity of 3.9 years at end of H1
- ▶ EIB agreement for €300M ongoing, to be drawn on H2

## Gross debt \* in nominal value at end 30.06.2013

In million euros



\* Excluding BPF, undrawn credit-line, short term liabilities & other adjustments

First Half Results 2013 – July 31<sup>st</sup>, 2013



# STRATEGIC UPDATE

Philippe Varin

Chairman of the Managing Board

# H1 2013 Highlights

## Solid progress of turnaround plans

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- Successful launches of Peugeot 2008, Peugeot 208 GTI and XY, Peugeot 301, new Citroën C4 Picasso, Citroën C4 L, DS3 Cabrio and C-Elysée
- Rebound plan on track and further steps under negotiation
- China: +33% growth in sales
- GM Alliance: first savings

# Successful launches strengthening the brands

## Peugeot Brand: 8 launches in 2013

### Peugeot 208: #2 on hatchback B segment in Europe

- ▶ 180k units sold in H1
- ▶ Upper versions 208 GTI and 208 XY
- ▶ Launch in Russia, Brazil and Argentina in Q2 2013

### Peugeot 2008: well above target

- ▶ 36k units ordered in Europe: doubling production team in Mulhouse
- ▶ Strong mix: 73% of orders to level 3 and 4
- ▶ Launch in China in 2014 and Brazil in 2015

### Peugeot 301: 42k units, exceeding targets

### Peugeot Hybrid 4: 3008, 508 and 508 RXH (16% of the mix)

# Successful launches strengthening the brands

## Citroën Brand: 9 launches in 2013

### C Line

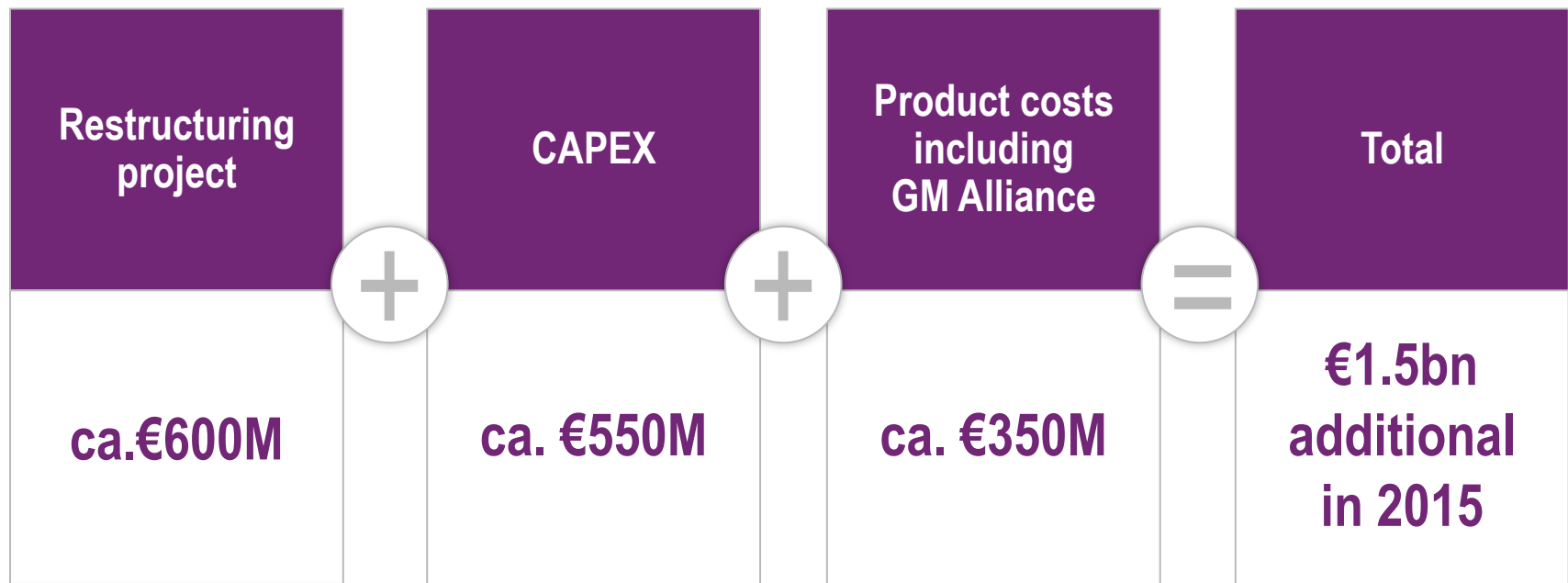
- New Citroën C4 Picasso: 1<sup>st</sup> model built on EMP2 platform
  - ▶ Launch in June
  - ▶ 80% of orders on upper version
  - ▶ Best in class in CO<sub>2</sub> emission
- C-Elysée:
  - ▶ 29k units, exceeding target
  - ▶ Launch in September in China

### DS Line

- Conquest rate > 50%
- DS3 Cabrio: #1 of convertible in France
  - ▶ Launch in February
- DS5: worldwide model
  - ▶ Locally produced in China in H2
  - ▶ DS5 HY4: 35% of the mix

# On the path to European turnaround

## Rebound 2015 on track



# Restructuring project

## On track

- Execution of the Restructuring plan, approved by Central works council on April 29<sup>th</sup> 2013
  - ▶ 8,000 positions concerned (3,600 corporate headcounts / 3,000 Aulnay / 1,400 Rennes)
- Corporate Headcounts: 3,600 positions, on track
  - ▶ 2,500 files open, 1,800 departures estimated end of December
- Aulnay: 3,000 position, confirmation of 2014 end of activity
  - ▶ 2,000 solutions proposed, 700 internal solution, 1,300 external: 2/3 of target achieved
  - ▶ Industrial revitalization plan on track: around 1,000 jobs identified on 1,500 targeted
- Rennes: 1,400 positions, half way on plan
  - ▶ >600 solutions proposed, 91 internal solution, 523 external
  - ▶ Industrial revitalization: around 400 jobs identified on line with target

# A New Social Contract to build the Group's future with a strengthened social dialogue

## Creating the conditions for sustainable industrial base in France

- Capacity utilisation rate target of 100% within 3 years (Harbour index)
  - ▶ Optimisation of manufacturing resources and securing employment
  - ▶ Increased mobility, part-time working
  
- Competitiveness agreement
  - ▶ Wage restraint / Simplification & adaptation of reduced workweek day
  - ▶ CICE (“Crédit d’impôt pour la compétitivité et l’emploi”) to be implemented in 2013: ca.€80M saving on full year basis, improving payroll costs, ca.€50M saving expected in 2013
  
- Anticipate structural transformation by taking steps to secure jobs and skills
  - ▶ Intergenerational contract
  - ▶ Innovative measures: regional mobility platforms, inter-industry bridges and career transition contracts

## Globalization:

On track towards 50% of sales volume outside Europe in 2015

China: 33% sales growth in H1

### DPCA

- Strong sales performance in H1 2013: 278k units, 3.8% market share on track to 5% by 2015, dividend up 19% to ca. €100M
- Launches of Peugeot 3008, Citroën C4L in H1 and of Peugeot 301 and Citroën C-Elysée in H2
- Dealership network: 768 dealerships
- DPCA's 3rd plant (Wuhan III) opened on 2 July: capacity 750,000 vehicles on track

### CAPSA

- DS Line imported progressively completed: DS5, DS4, DS3 and DS3 Cabrio
- Local DS5 production to start in H2 2013 in Shenzhen
- Dealership network: 28 dealerships, 56 stores by end of 2013 in 40 cities
- DS concept car "Wild Rubis" presented at Shanghai Motorshow in April 2013

# Globalization: On track towards 50% of sales volume outside Europe in 2015

## Successful areas

### Argentina

- # 2 Carmaker
  - ▶ 15.2% market share vs 12.9% in 2012
  - ▶ Sales up 44% vs H1 2012 in a market up by 8%, reaching 67,900 units
- Peugeot 208 presented at Buenos Aires Motorshow, launched in H2, with its XY and GTi versions, and the mid-size sedan C4 Lounge, produced in Palomar

### Rest of the World

- Success of 301 and C-Elysée
  - ▶ 60,000 sales in H1 and >100kunits in 2013
  - ▶ Produced in Vigo in Spain, production increase
- Dynamic development
  - ▶ Algeria: 58,400 registrations in H1, up 59% vs H1 2012 and 22.8% market share, up 7pt vs H1 2012
  - ▶ Turkey: Sales +20%

# Globalization: On track towards 50% of sales volume outside Europe in 2015

## Areas for improvement

### Brazil

- 61,300 sales, in a +4,7% market
- Negative impact of real on Forex
- Launch of 208 and Citroën C4-L boosting sales and market share in H2
- Peugeot 208: good start and strong mix

### Russia

- 31,500 sales, in a -5.7% market
- 1<sup>st</sup> CKD model - Peugeot 408 (Sept.2012) and C4 Sedan (May 2013)
- Strong positions in LCVs
- 4 new models in H1 2013:
  - ▶ Citroën C4 Sedan and C-Elysée
  - ▶ Peugeot 208 and 301

# Global Alliance with GM

## First savings

### JPO in Europe on execution phase since Feb. 25th, 2013

- ▶ Common sourcing tables since March
- ▶ First joint purchases realized with significant savings: c. €60M of savings in 2013
- ▶ Progressive implementation of common policies and working standards

### Joint product developments & platforms ongoing

### New initiatives under review



## OUTLOOK

Philippe Varin

Chairman of the Managing Board

- 2013 Market assumptions: Europe: c. -5%, China: c. +10%, Latin America: c. +2%, Russia: c. -5%
- Operational free cash flow \* : the Group is targeting to reduce its consumption at least by half in 2013 and confirms the announced trend of very significant reduction throughout 2014

\* Free cash flow without restructuring and exceptional  
First Half Results 2013 – July 31<sup>st</sup>, 2013



## APPENDIX

# Worldwide unit sales

Number of vehicles *		H1 2012	H1 2013	△
Europe **	AP	525,000	460,000	-12.4%
	AC	455,000	395,000	-13.2%
	<b>Total PSA</b>	<b>980,000</b>	<b>855,000</b>	<b>-12.8%</b>
Russia	AP	23,000	17,000	-26.1%
	AC	18,000	14,000	-22.2%
	<b>Total PSA</b>	<b>41,000</b>	<b>32,000</b>	<b>-22.0%</b>
Lat Am	AP	76,000	87,000	14.5%
	AC	45,000	59,000	31.1%
	<b>Total PSA</b>	<b>122,000</b>	<b>146,000</b>	<b>19.7%</b>
China	AP	104,000	140,000	34.6%
	AC	106,000	138,000	30.2%
	<b>Total PSA</b>	<b>209,000</b>	<b>278,000</b>	<b>33.0%</b>
Rest of the world	AP	84,000	103,000	22.6%
	AC	40,000	46,000	15.0%
	<b>Total PSA</b>	<b>124,000</b>	<b>149,000</b>	<b>20.2%</b>
Total Assembled vehicles	AP	812,000	808,000	-0.5%
	AC	664,000	653,000	-1.7%
	<b>Total PSA</b>	<b>1,476,000</b>	<b>1,460,000</b>	<b>-1.1%</b>
CKD	AP	143,000	600	
	AC	0	0	
	<b>Total PSA</b>	<b>143,000</b>	<b>600</b>	
Total Assembled vehicles + CKD units	AP	955,000	808,600	-15.4%
	AC	664,000	653,000	-1.7%
	<b>Total PSA</b>	<b>1,619,000</b>	<b>1,460,600</b>	<b>-9.8%</b>

\* Assembled vehicles, CKD units

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

First Half Results 2013 – July 31<sup>st</sup>, 2013

## Top 5 outside Europe - Growth on volumes by country

Number of vehicules *	H1 2012	H1 2013	△
China	209,000	278,000	33%
Argentina	47,000	68,000	44%
Brazil	62,000	61,000	-2%
Algeria	36,000	58,000	59%
Russia	41,000	32,000	-22%

\* Assembled vehicles, CKD units

First Half Results 2013 – July 31<sup>st</sup>, 2013

# Group results by division

	AUTOMOTIVE		FAURECIA		BANQUE PSA FINANCE		OTHERS BUSINESSES & ELIMINATIONS		TOTAL	
<i>In million euros</i>	H1 2012	H1 2013	H1 2012	H1 2013	H1 2012	H1 2013	H1 2012	H1 2013	H1 2012	H1 2013
<b>Revenues</b>	<b>20,203</b>	<b>18,695</b>	<b>8,765</b>	<b>9,265</b>	<b>979</b>	<b>888</b>	<b>(1,138)</b>	<b>(1,138)</b>	<b>28,809</b>	<b>27,710</b>
<b>Recurring operating income / (loss)</b>	<b>(657)</b>	<b>(510)</b>	<b>304</b>	<b>256</b>	<b>271</b>	<b>205</b>	<b>31</b>	<b>(16)</b>	<b>(51)</b>	<b>(65)</b>
% of revenues	-3.3%	-2.7%	3.5%	2.8%	27.7%	23.1%	-	-	-0.2%	-0.2%
<b>Non-recurring operating income (and expenses)</b>	<b>(616)</b>	<b>(79)</b>	<b>(37)</b>	<b>(41)</b>	<b>0</b>	<b>0</b>	<b>233</b>	<b>(8)</b>	<b>(420)</b>	<b>30</b>
<b>Operating income</b>	<b>(1,273)</b>	<b>(431)</b>	<b>267</b>	<b>215</b>	<b>271</b>	<b>205</b>	<b>264</b>	<b>(24)</b>	<b>(471)</b>	<b>(35)</b>

\* IFRS 5 compliance implies held-for-sale classification for Gefco

First Half Results 2013 – July 31<sup>st</sup>, 2013

# H1 2013 Group results

<i>In million euros</i>	H1 2012	H1 2012 *	H1 2013
Revenues	29,553	28,809	27,710
<b>Recurring operating income **</b>	<b>4</b>	<b>(51)</b>	<b>(65)</b>
% of revenues	0.0%	-0.2%	-0.2%
Non-recurring operating income and (expenses)	(420)	(420)	30
<b>Operating income</b>	<b>(416)</b>	<b>(471)</b>	<b>(35)</b>
Net financial income (expenses) **	(264)	(268)	(246)
Income taxes **	(110)	(90)	(211)
Share in net earnings of companies at equity	47	47	96
Consolidated net income/(loss)	(745)	(744)	(398)
<b>Net income, Group share</b>	<b>(819)</b>	<b>(818)</b>	<b>(426)</b>
Earnings per share (in euros)	(2.73)	(2.72)	(1.25)

\* Gefco: restated with IFRS 5 compliance, Gefco held as discontinued activities

\*\* IAS 19R: H1 2012 restated €8M on Group ROI o/w €5M on Automotive Division ROI

# Automotive ROI: reconciliation table on IAS 36 impact

<i>In million euros</i>	H1 2013	IAS 36 Impact	H1 2013 incl. IAS 36 impact
<b>Automotive ROI H1 2012</b>			<b>-657</b>
Input costs	(68)	(18)	(86)
Operating environment	(378)		(396)
Product mix	186		186
Price & product enrichment	(67)		(67)
Market Share	(99)		(99)
Production & procurement	307	191	498
Fixed & marketing costs	7		7
R&D	(54)	136	82
Others	(64)		(64)
Performance	215		215
<b>Automotive ROI H1 2013</b>			<b>(510)</b>

# Automotive: recurring operating income

<i>In thousands units</i>	H1 2012	H1 2013
Vehicles sold	1,476	1,460

<i>In million euros</i>	H1 2012	H1 2013
Revenues	20,203	18,695
<b>Recurring operating income / (loss)</b>	<b>(657)</b>	<b>(510)</b>
% of revenues	-3.3%	-2.7%

<i>Proforma including 50% DPCA</i>	H1 2012	H1 2013
DPCA recurring operating income	68	113
<b>Recurring operating income / (loss)</b>	<b>(589)</b>	<b>(397)</b>
% of revenues	-2.9%	-2.1%

## Banque PSA Finance financing secured, good visibility in amount & duration

### State guarantee update & financing secured

- Success of Distingo, first passbook savings account launched by Banque PSA Finance in March 2013
  - ▶ More than €780 million in outstandings at the end of June
  - ▶ In addition, a time deposit account may be introduced in 2014
- €11.5bn facilities successfully renegotiated with the pool of banks
- €7bn refinancing guarantee for new bond issues provided by the French state, on December 29th, with temporary agreement granted by EU on February 11<sup>th</sup>, waiting for imminent approval:
  - ▶ €1.2bn bond issue with French state guarantee successfully placed in February, with temporary EC authorization
- Securitization & collateralization at c. 23.5% in H1 2013
  - ▶ Significant reduction of access to ECB funding (from €2.9bn at the end of 2012 to only €0.7bn in H1 2013)
  - ▶ More than €1.3bn of new securitized financing (in France, Germany and Belgium)

# Decline in the European utilization rate

	H1 2011	H1 2012	H1 2013
Utilization rate *	91%	76%	74%
<i>In France</i>	90%	79%	61%
<i>o/w A&amp;B</i>	85%	74%	65%

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

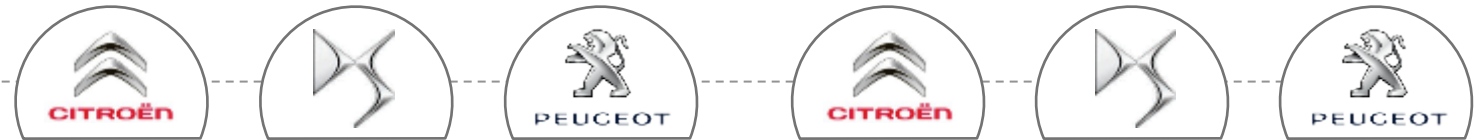
# Strong momentum of new products

## Young average age of the range: 3.5 years

Launches

H1: 9 launches

H2: 8 launches



9

Europe

1

C4 Picasso - June

1

DS3 Cabrio - Feb

3

208 XY & GTI - April  
2008 - May

1

Grand C4 Picasso - July

1

DS5 Blue HDI

2

New 308 - Sept.  
3008 mid-life

8

Rest of the World

2

C4L China - Jan.  
C4 Sedan Russia - June

C Elysée Russia - Feb.  
(imported)

2

208 Amlat - April  
3008 China - Jan.

208 Russia - April  
301 Russia - May  
(imported)

2

C4L Amlat  
C-Elysée China

1

DS5 China

1

301 China

# Brand upscaling

<i>% of total sales</i>	H1 2011	H1 2012	H1 2013
C & D segments	42%	45%	<b>47%</b>
A & B segments	40%	38%	<b>36%</b>
Premium vehicles *	17%	19%	<b>19%</b>

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



# Enhancing brand image and pricing power

## Strong increase in product mix and success of new launches

► Upward Residual Values \* for all new products building up pricing power

	Launch	Previous models	New models	
			At launch	Current
Peugeot 208	Q2 2012		<b>42%</b>	<b>40%</b>
Peugeot 2008	Q2 2013			<b>39%</b>
Peugeot RCZ	Q2 2010	-	<b>43%</b>	<b>45%</b>
Peugeot 508 Rxh	Q1 2013		<b>43%</b>	<b>44%</b>
Citroën DS3	Q2 2010	-	<b>42%</b>	<b>42%</b>
Citroën C4 Picasso	Q2 2013	36%	<b>39%</b>	

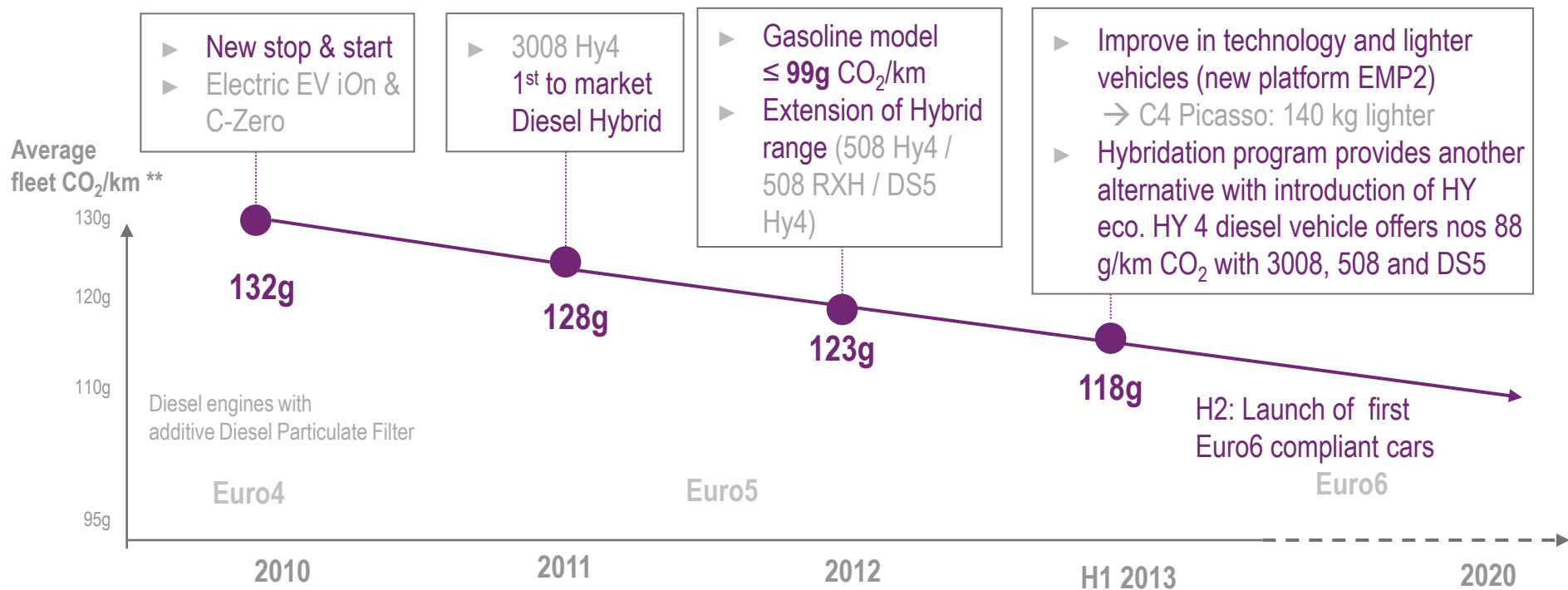
\* Residual Values (36 months, 90,000km) – Source DAT (Germany)

First Half Results 2013 – July 31<sup>st</sup>, 2013

# Brand upscaling / step ahead

## Innovation and CO<sub>2</sub> new technologies

- ▶ First application of Euro6 standards in H2 2013, one year in advance, with Peugeot 508, Citroën C4 Picasso 2l HDI and also new Peugeot 308
- ▶ Development of “Blue HDI technology”, for diesel engines with SCR \*  
→ Modular approach to optimize investments and production costs



European relementation:

130g in 2015  
95g in 2020

\* SCR: Selective Catalytic Reducer

\*\* In europe