Paris - 29 July 2015

"Back in the Race" delivers strong positive first-half results

- **Group revenue of €28,904 million**
- **Recurring operating income of €1,424 million, up €1,037 million[1]**
- **Recurring operating income from the Automotive Division of €975 million, up €968 million[1]**
- **Free cash flow of €2,792 million**

"Our first-half results are very positive but we need to review them on a full-year basis," said Carlos Tavares, Chairman of the PSA Peugeot Citroën Managing Board. *"In this unstable international environment, the company and its staff – whom I thank wholeheartedly – must all be focused on the full execution of the "Back in the Race" plan in order to secure the Group's recovery."*

Consolidated net revenue represented €28,904 million in the first half of 2015, up 6.9% vs 2014. The Automotive Division reported revenue of €19,409 million, a year-on-year rise of 4.3% driven by the increase in net prices, a positive product mix and a favourable currency impact.

Consolidated Recurring Operating Income amounted to €1,424 million, versus €387 million in first-half 2014. Most of the growth came from the Automotive Division, with a €968 million improvement due to a favourable business environment contributing for nearly a third, and the combined impact of cost saving and positive product mix effects - reflecting the success of recent vehicle launches and the pricing power policy.

The Automotive Division's pro forma recurring operating income, which includes 50% of the results of Chinese joint ventures, was up €1,065 million[1] to €1,193 million.

Non-recurring operating income and expenses resulted in a net expense of €342 million in the first half of the year, primarily due to restructuring costs incurred by the Automotive Division.

Financial income and expenses represented a net expense of €336 million compared with €344 million in first-half 2014.

Net income for the period came to €720 million, up €762 million year-on-year.

Banque PSA Finance reported **recurring operating income** of €294 million[2], a rise of €122 million on first-half 2014. Further to the February 2015 agreement with Santander Consumer Finance, two joint ventures – one in France, the other in the United Kingdom – are already operational. As a result, the Group is benefiting from some of the most competitive refinancing conditions in the market.

Faurecia's recurring operating income amounted to €424 million, a year-on-year increase of 36.3%.

Free cash flow of manufacturing and sales companies amounted to €2,792 million, driven by an improvement in the cash flow from operations, seasonal changes in working capital requirement (up €932 million over the period due

[1] on first-half 2014, restated following the application of IFRS 5
[2] 100% of the results of Banque PSA Finance. In the financial statements of PSA Peugeot Citroën , the two joint ventures are consolidated at equity, and the other businesses covered by the Santander agreement are declassified under 'Net result from operationsto be continued in partnership'.

to high production in Europe in May-June 2015) and dividends paid from DPCA and Banque PSA Finance during the first half.
Excluding €321 million restructuring expenses and €331 million exceptional income, **operating free cash flow** for the period came to €2,782 million.

Total inventory at end-June 2015, including independent dealers, stood at 391,000 vehicles, 16,000 fewer than at end-June 2014.

The manufacturing and sales companies' net financial position at 30 June 2015 was a positive €3,562 million, up €3,014 million vs 31 December 2014. Aside from free cash flow generation, the improvement was notably attributable to the exercise of stock warrants for a total of €120 million.

Market Outlook

In 2015 the Group expects automotive demand to expand by 6% in Europe and approximately 3% in China but to contract by around 15% in Latin America and 35% in Russia.

Operational Outlook

The Group aims to generate operating free cash flow of around €2 billion over the period 2015-2017. It is also targeting an operating margin[3] of 2% in 2018 for the Automotive division, with the objective of reaching 5% over the period of the next medium-term plan, covering 2019-2023.

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Financial calendar

- 26 October 2015: Third-quarter 2015 revenues

The PSA Peugeot Citroën Group's consolidated financial statements at 30 June 2015 were approved by the Managing Board on 23 July 2015 and reviewed by the Supervisory Board on 28 July 2015. The Group's Statutory Auditors have performed their review of the financial statements and are currently issuing their report on the interim financial information.

About PSA Peugeot Citroën

With its three world-renowned brands, Peugeot, Citroën and DS, PSA Peugeot Citroën sold 3 million vehicles worldwide in 2014. The second largest carmaker in Europe, PSA Peugeot Citroën recorded sales and revenue of €54 billion in 2014. The Group confirms its position of European leader in terms of CO_2 emissions, with an average of 110.3 grams of CO_2/km in 2014. PSA Peugeot Citroën has sales operations in 160 countries. It is also involved in financing activities (Banque PSA Finance) and automotive equipment (Faurecia).
For more information, please visit www.psa-peugeot-citroen.com

[3] Recurring operating income relating to the Automotive Division's revenue

Appendices

Comparative information has been restated following the application of IFRS 5.

Consolidated income statement

	H1 2014				H1 2015			
(in millions of euros)	**Manufacturing and sales companies**	**Finance companies**	Eliminations	**TOTAL**	**Manufacturing and sales companies**	**Finance companies**	Eliminations	**TOTAL**
Revenues	26,882	153	(9)	**27,026**	28,772	140	(8)	**28,904**
Recurring operating income/(loss)	315	72	-	**387**	1,405	19	-	**1,424**
Operating Income/(loss)	216	72	-	**288**	1,063	19	-	**1,082**
Net financial Income/(loss)	*(344)*	-	-	***(344)***	*(341)*	*5*	-	***(336)***
Income taxes	*(115)*	*(39)*	-	***(154)***	*(318)*	*(13)*		***(331)***
Share in net earnings of companies at equity	*103*	*5*	-	***108***	*174*	*59*	-	***233***
Net result from operations to be continued in partnership	*(5)*	*65*	-	***60***	*12*	*60*	-	***72***
Consolidated Net Income	*(145)*	*103*	-	***(42)***	*590*	*130*	-	***720***
Net Income Group share	(213)	97	2	**(114)**	448	123		**571**
Attributable to minority interests	68	6	(2)	**72**	142	7	-	**149**
(in euros)								
Basic earnings per €1 par value share attributable to equity holders of the parent				**(0.25)**				**0.73**

Consolidated balance sheet*

Assets	31 December 2014				30 June 2015			
(in millions of euros)	**Manufacturing and sales companies**	**Finance companies**	Eliminations	**TOTAL**	**Manufacturing and sales companies**	**Finance companies**	Eliminations	**TOTAL**
Total non-current assets	20,331	279	(5)	**20,605**	21,360	852	(4)	**22,208**
Total current assets	16,526	6,209	(704)	**22,031**	20,028	1,428	(1,341)	**20,115**
Total assets of operations to be continued in partnership	167	18,529	(120)	**18,576**	5	10,371	(59)	**10,317**
TOTAL ASSETS	**37,024**	**25,017**	**(829)**	**61,212**	**41,393**	**12,651**	**(1,404)**	**52,640**

Equity and Liabilities	31 December 2014				30 June 2015			
(in millions of euros)	**Manufacturing and sales companies**	**Finance companies**	Eliminations	**TOTAL**	**Manufacturing and sales companies**	**Finance companies**	Eliminations	**TOTAL**
Total equity				**10,418**				**11,704**
Total non-current liabilities	11,637	2	(1)	**11,638**	11,835	(54)	(1)	**11,780**
Total current liabilities	18,071	13,368	(536)	**30,903**	20,225	4,921	(1,145)	**24,001**
Total liabilities of operations to be continued in partnership	37	8,508	(292)	8,253		5,413	(258)	**5,155**
TOTAL EQUITY & LIABILITIES				**61,212**				**52,640**

***Balance sheets by the end of December 2014 and June 2015 declassify assets and liabilities of operations to be continued in partnership. June 2015 balance sheet take into account a scope extension.**

Consolidated statement of cash flows

	H1 2014				H1 2015			
(in millions of euros)	**Manufacturing and sales companies**	**Finance companies**	Eliminations	**TOTAL**	**Manufacturing and sales companies**	**Finance companies**	**Eliminations**	**TOTAL**
Consolidated profit/(loss) from continuing operations	(140)	(114)	-	(254)	578	(11)	-	567
Funds from operations	1,186	(30)	-	1,156	2,621	(24)	1	2,598
Net cash from/(used in) operating activities of continuing operations	**2,329**	**(342)**	**286**	**2,273**	**3,553**	**6,161**	**54**	**9,768**
Net cash used in investing activities of continuing operations	**(1,029)**	**(33)**	**-**	**(1,062)**	**(1,331)**	**(25)**	**136**	**(1,220)**
Net cash from/(used in) financing activities of continuing operations	**2,921**	**(136)**	**420**	**3,205**	**(396)**	**(496)**	**343**	**(549)**
Net cash related to the non-transferred debt of finance companies to be continued in partnership	**-**	**(449)**	**(400)**	**(849)**	**-**	**(6,829)**	**(360)**	**(7,189)**
Net cash from the transferred assets and liabilities of operations to be continued in partnership	**(15)**	**980**	**(436)**	**529**	**(2)**	**(375)**	**(254)**	**(631)**
Effect of changes in exchange rates	16	6	(2)	20	146	-	-	146
Increase/(decrease) in cash from continuing operations and from operations to be continued in partnership	**4,222**	**26**	**(132)**	**4,116**	**1,970**	**(1,564)**	**(81)**	**325**
Net cash and cash equivalents at beginning of period	6,161	1,804	(210)	7,755	8,429	2,601	(129)	10,901
Net cash and cash equivalents at end of period	**10,383**	**1,830**	**(342)**	**11,871**	**10,399**	**1,037**	**(210)**	**11,226**