

H1 2016 RESULTS

27th July 2016

FULL LED TECHNOLOGY



DISCLAIMER

This presentation does not constitute an offer to sell, or a solicitation of an offer to buy, PEUGEOT SA (“Company”) shares.

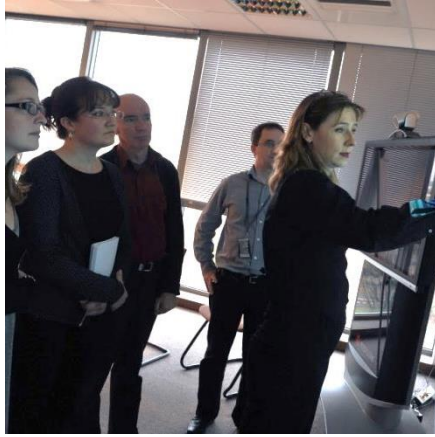
This presentation may contain forward-looking statements. Such forward-looking statements do not constitute forecasts regarding the Company’s results or any other performance indicator, but rather trends or targets, as the case may be. These statements are by their nature subject to risks and uncertainties as described in the registration document filed with the French *Autorité des Marchés Financiers* (AMF). These statements do not reflect future performance of the Company, which may materially differ.

The Company does not undertake to provide updates of these statements.

More comprehensive information about PSA Group may be obtained on the Group website (www.groupe-psa.com), under Regulated Information.



**EXPRESS INDIVIDUAL
& COLLECTIVE TALENT**



**TALENT
MANAGEMENT**



**COMPETITIVE
SPIRIT**



**BUSINESS
SENSE**



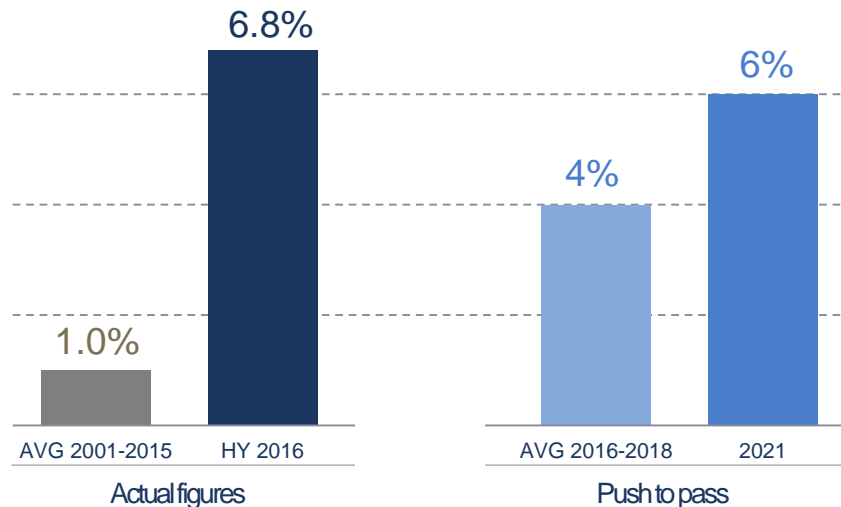
MINDSET CHANGE

SUSTAINABLE PERFORMANCE – A RECORD PERFORMANCE

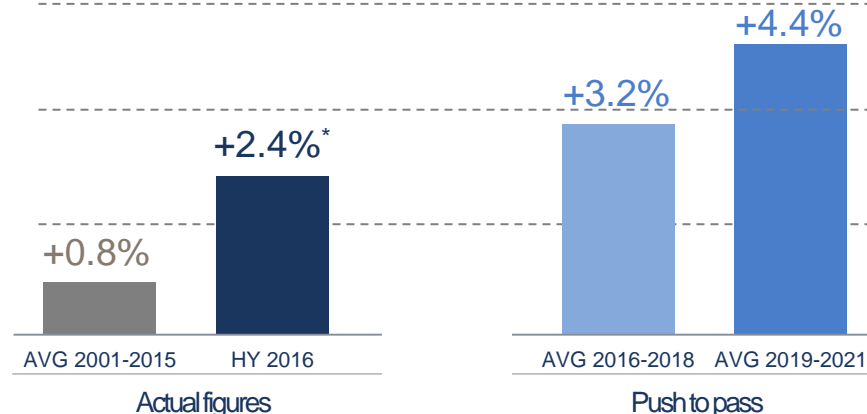
Reach an average 4% automotive Recurring Operating Margin in 2016-2018, and target 6% by 2021

Deliver 10% Group Revenue growth by 2018* vs 2015, and target additional 15% by 2021*

AUTOMOTIVE RECURRING OPERATING MARGIN



GROUP REVENUE GROWTH PER ANNUM



*at constant (2015) exchange rates

FINANCIAL ***RESULTS***

Jean-Baptiste de Chatillon

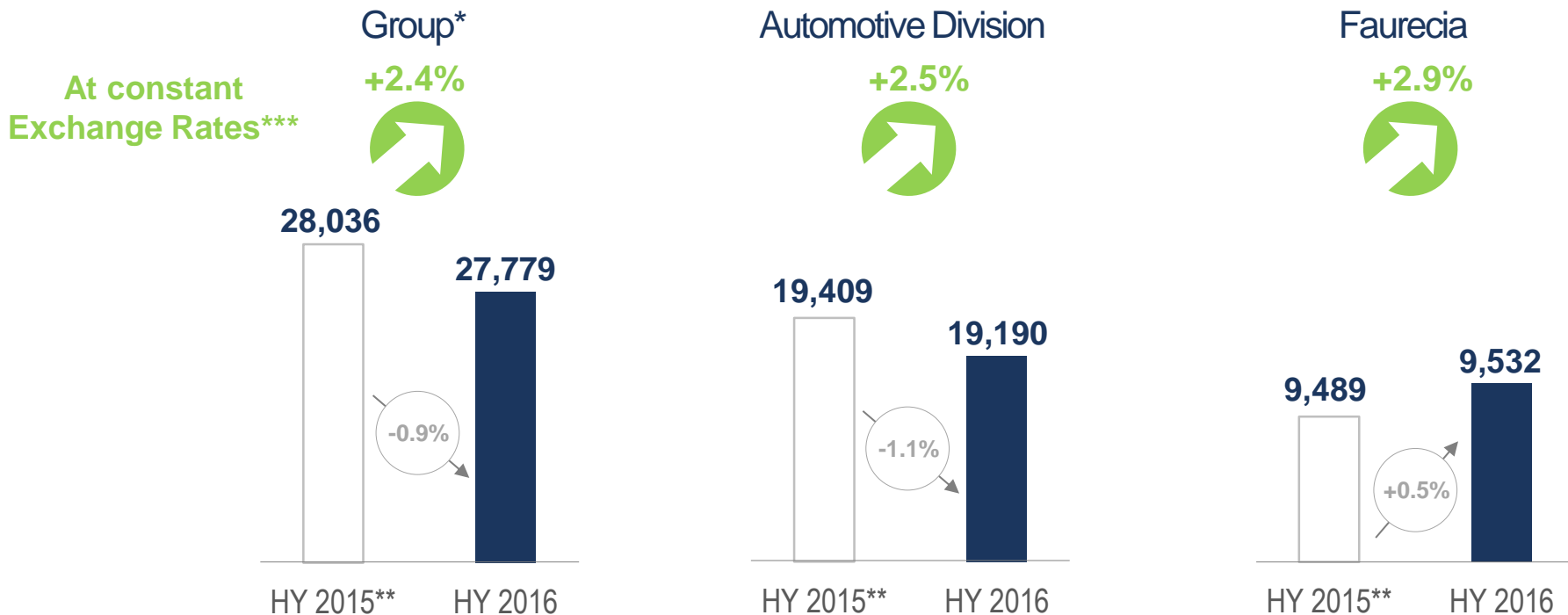
CFO and member of the Managing Board

FINANCIAL RESULTS – NET INCOME, GROUP SHARE, x 2

<i>In million Euros</i>	HY 2015 *	HY 2016	Change
Revenue	28,036	27,779	(257)
Recurring Operating Income	1,384	1,830	446
% of revenue	4.9%	6.6%	
Non-recurring operating income and (expenses)	(343)	(207)	136
Operating income	1,041	1,623	582
Net financial income (expenses)	(334)	(150)	184
Income taxes	(320)	(310)	10
Share in net earnings of companies at equity**	233	149	(84)
Net result from operations to be continued in partnership**	100	71	(29)
Consolidated net income / (loss)	720	1,383	663
Net income, Group Share	571	1,212	641

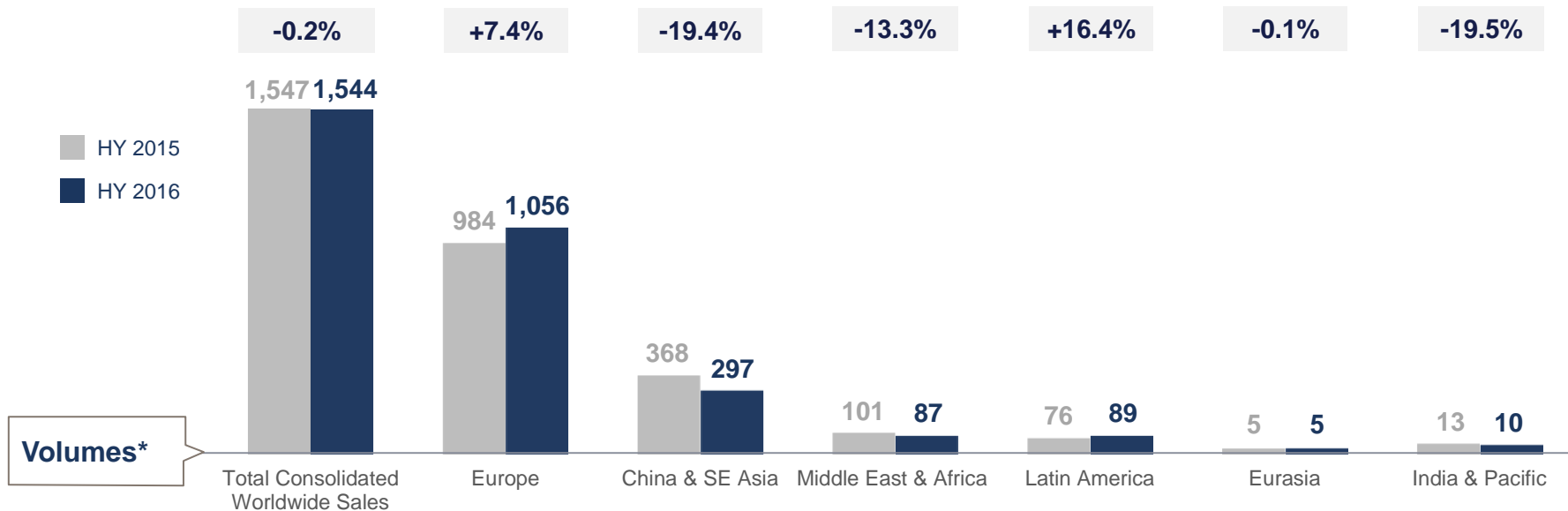
GROUP REVENUE : +2.4% AT CONSTANT EXCHANGE RATES

In million Euros



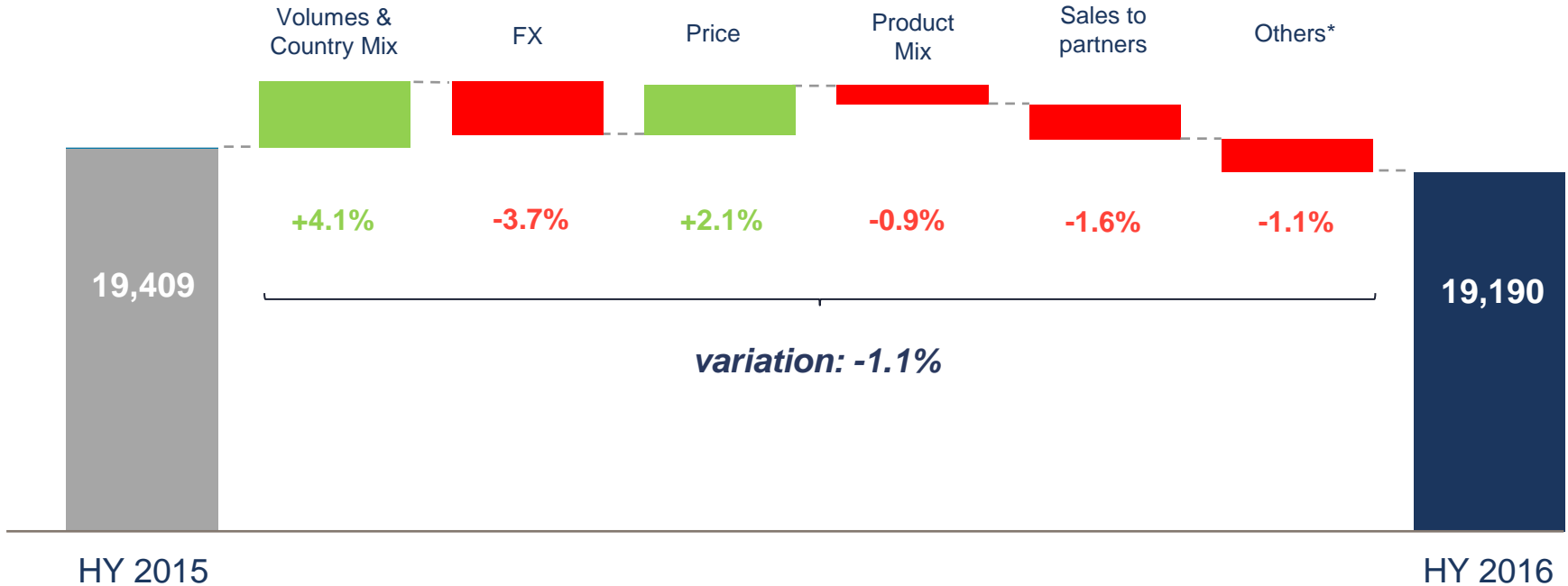
CONSOLIDATED WORLDWIDE SALES : FOCUS ON PROFITABLE SALES

In thousands of units



AUTOMOTIVE REVENUE ANALYSIS

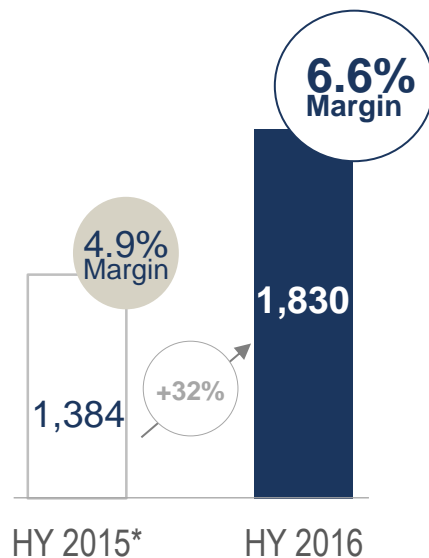
In million Euros



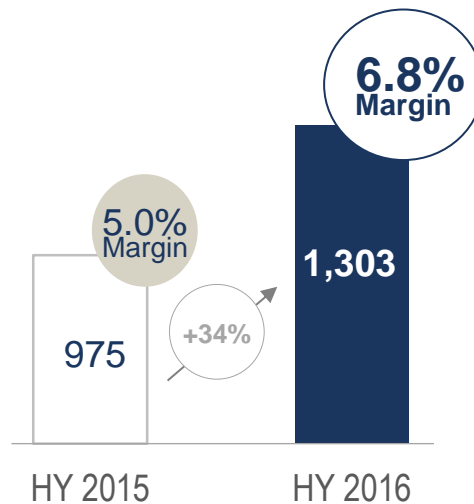
GROUP RECURRING OPERATING INCOME & MARGIN

In million Euros

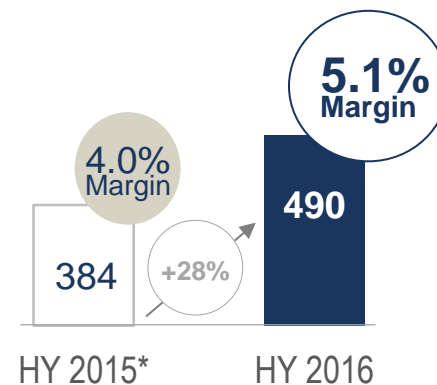
Group**



Automotive Division

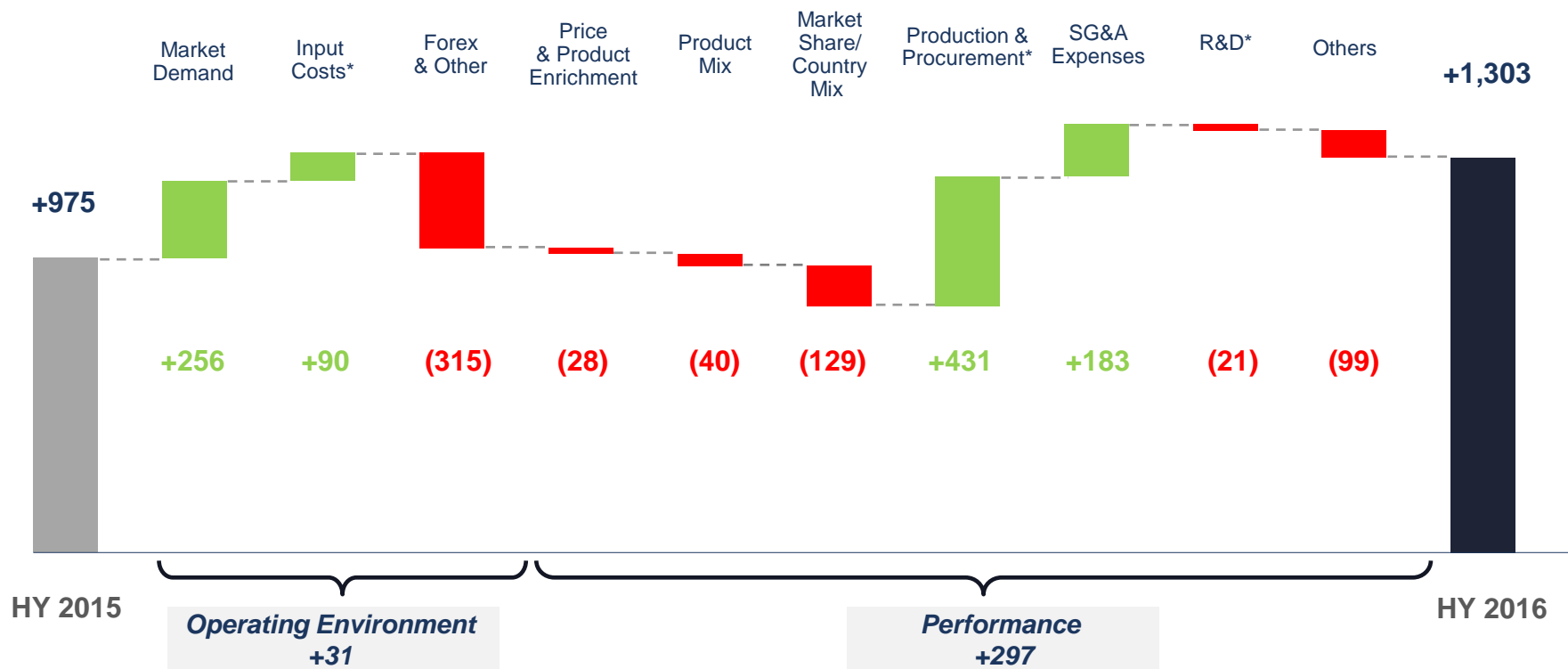


Faurecia



AUTOMOTIVE RECURRING OPERATING INCOME ANALYSIS

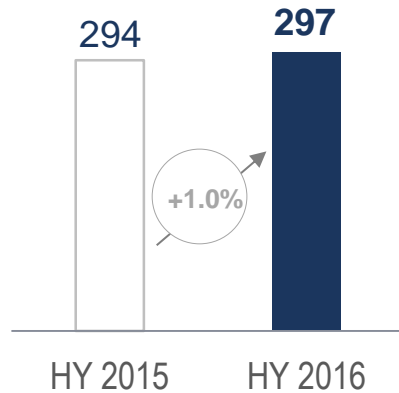
In million Euros



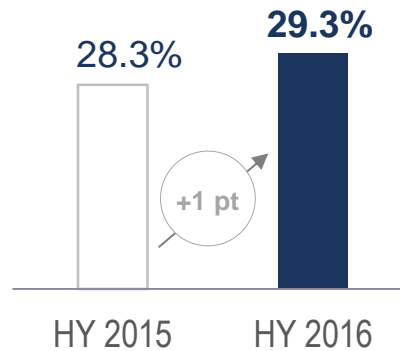
In million Euros

Recurring Operating Income

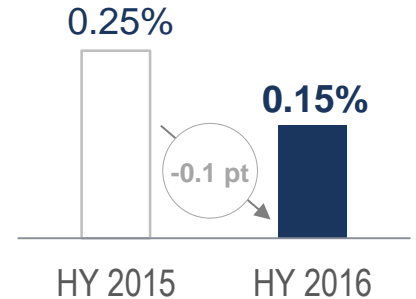
100% basis



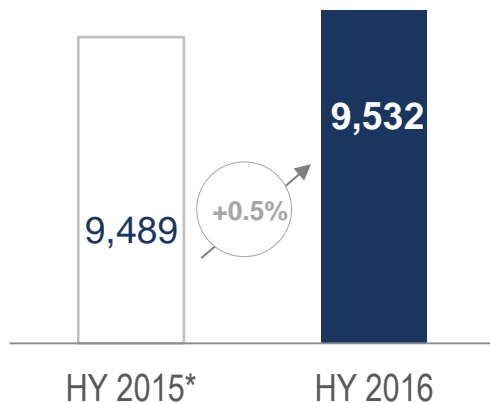
Penetration Rate



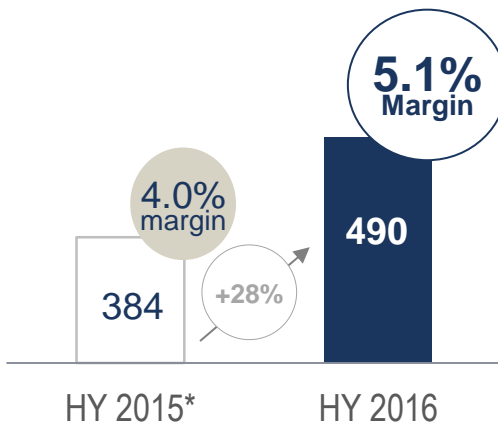
Cost of risk*



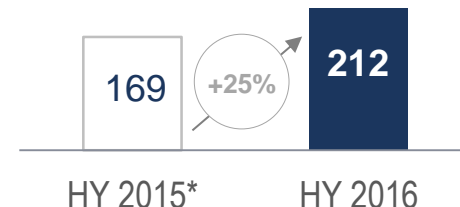
Revenue



Recurring Operating Income



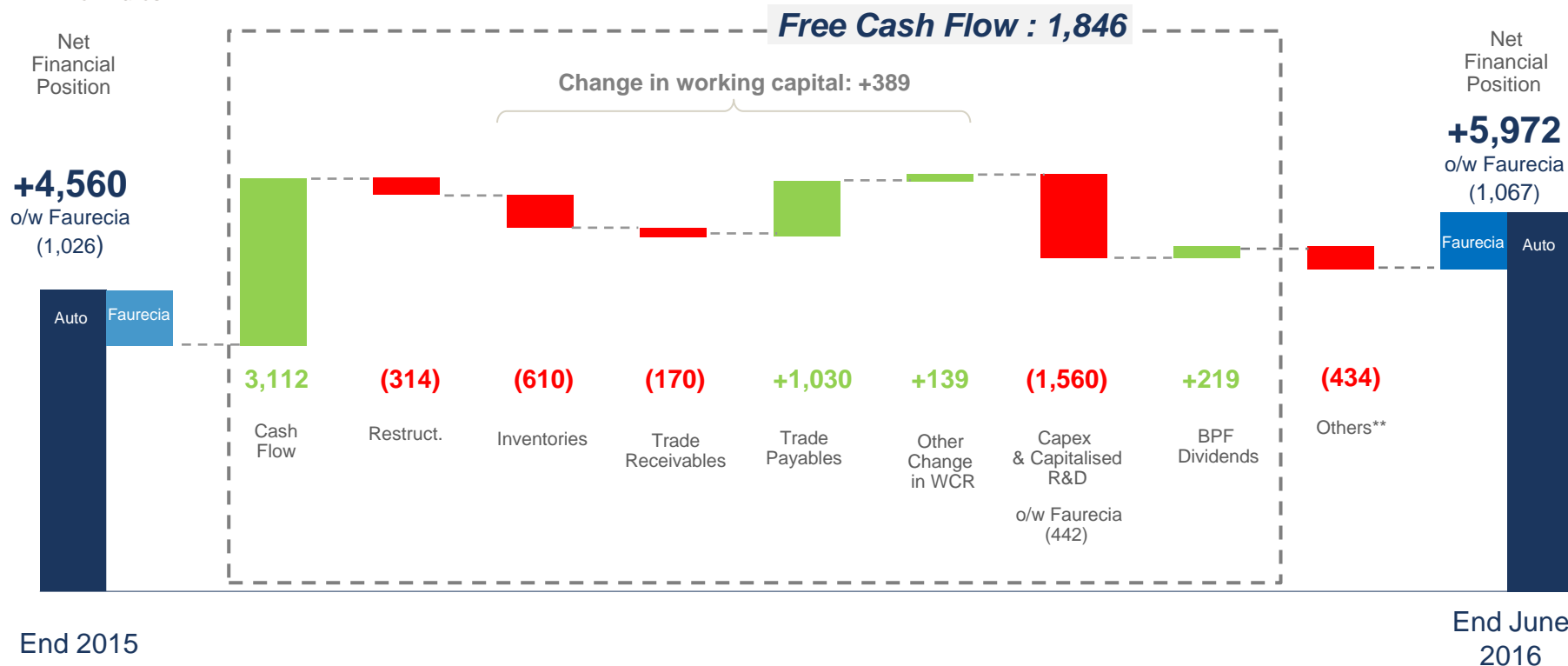
Free Cash Flow



Net Financial Position^{}: (1,067) M€**

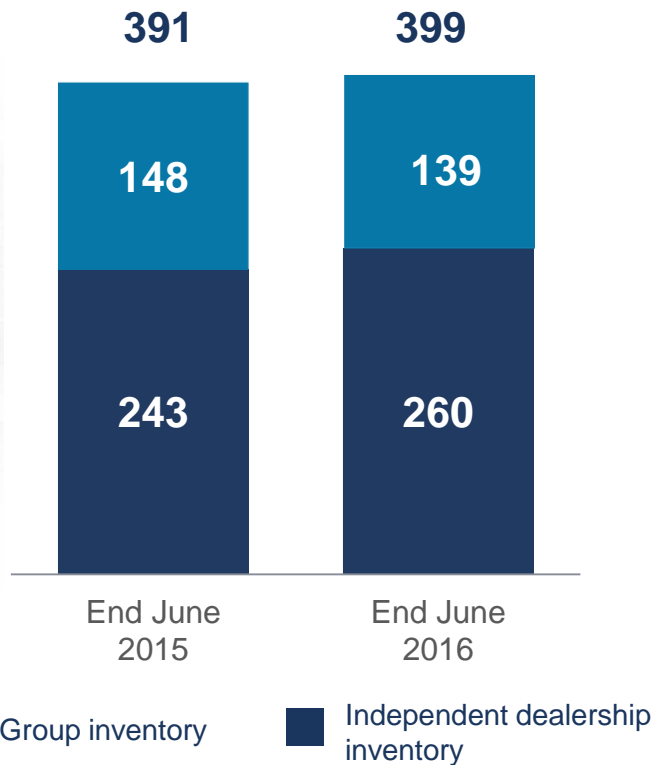
CASH FLOW ANALYSIS*

In million Euros



RIGHTSIZED INVENTORIES

In thousands of new vehicles*



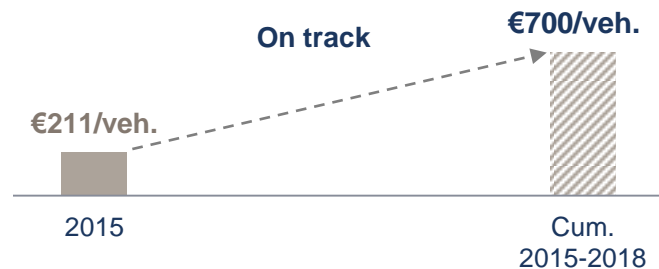
FIT TO FACE BREXIT

2015 Break-even Point at 1.6 M cars*

- ✓ €1bn reduction in fixed costs over 2014 & 2015
- ✓ Sustainable production cost savings
- ✓ Pricing power as an asset

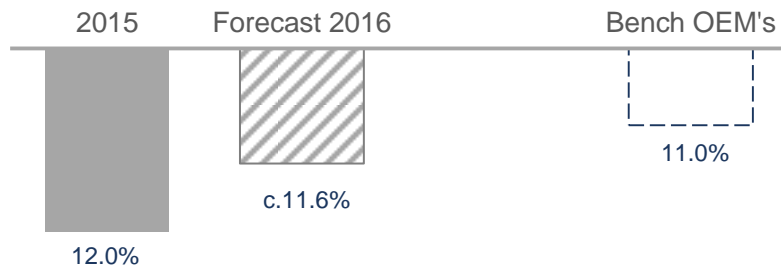
Production cost savings in Europe

Over 2015 – 2018, including Euro6



Wages to revenue ratio

Automotive division**



FIT FOR THE FUTURE

- ▶ Continue rightsizing fixed costs
- ▶ Reduction of production costs on track
- ▶ Industrial flexibility

OUTLOOK

2016 Market Outlook

EUROPE

+4%

CHINA

+8%

LATIN AMERICA

-12%

RUSSIA

-15%

Operational Outlook

Reach an average **4% Automotive Recurring Operating Margin** in **2016-2018**, and target 6% by 2021

Deliver **10% Group Revenue growth** by **2018*** vs 2015, and target additional 15% by 2021*

**at constant (2015) exchange rates*

PUSH TO PASS ***HIGHLIGHTS***

Carlos Tavares

Chairman of the Managing Board

A COMPETITIVE TEAM TO CHALLENGE BENCHMARKS



A DEEP CHANGE IN MINDSET

Promote a **COMPETITIVE & CROSS-FUNCTIONAL ATTITUDE**

People empowered to **EXPRESS INDIVIDUAL & COLLECTIVE TALENT**

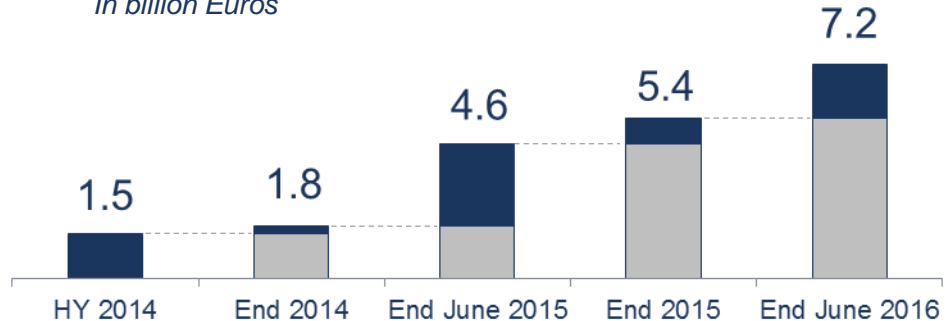
BUSINESS SENSE in everything we do

TALENT MANAGEMENT based on merit

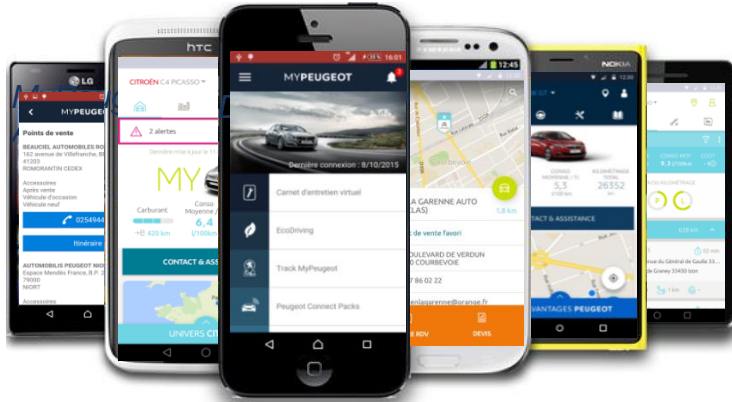
€1.8 Bn
Free Cash Flow*
in HY 2016

Cumulated Free Cash Flow* since end 2013

In billion Euros



ACCELERATE THE DIGITAL TRANSFORMATION



Customer Connected Company

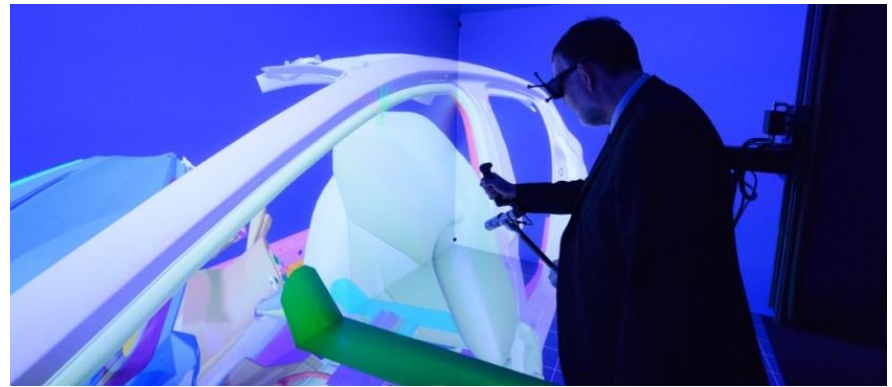
Understanding & Engaging with Customers & Users

MyPeugeot App & MyCitroen App

Smarter Company

Digital Tools & Process

Digital-Ready Employee Program



PSA GROUP 2021

FROM TURNAROUND TO PROFITABLE SUSTAINABLE GROWTH
A CUSTOMER DRIVEN TRANSFORMATION

PUSH^{TO}
PASS



A GREAT CAR MAKER
With cutting edge efficiency



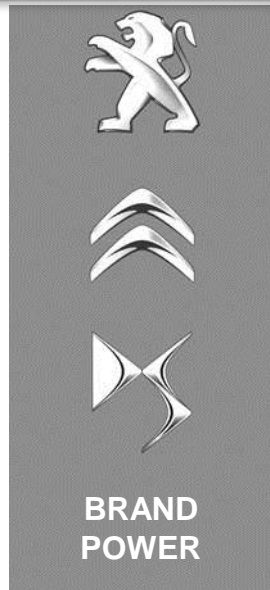
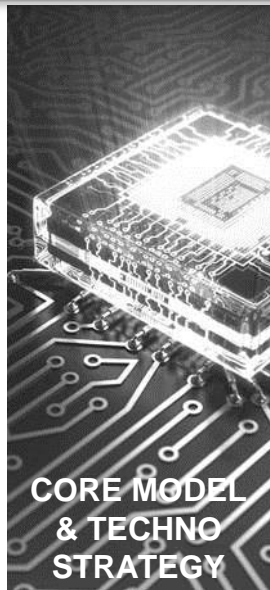
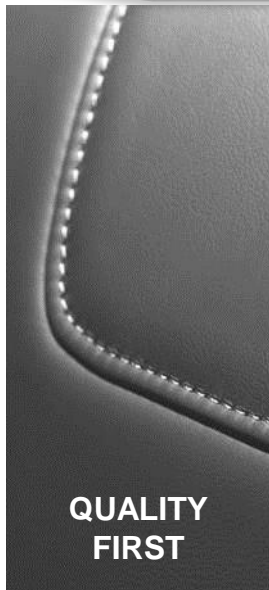
A MOBILITY PROVIDER
For a lifetime customer relationship

DIGITAL BOOSTER

A COMPETITIVE TEAM TO CHALLENGE BENCHMARKS

A GREAT CAR MAKER

CUTTING EDGE EFFICIENCY



QUALITY FIRST – UNCOMPROMISING ATTITUDE

STRONG KNOW-HOW

HARSH DISCIPLINE

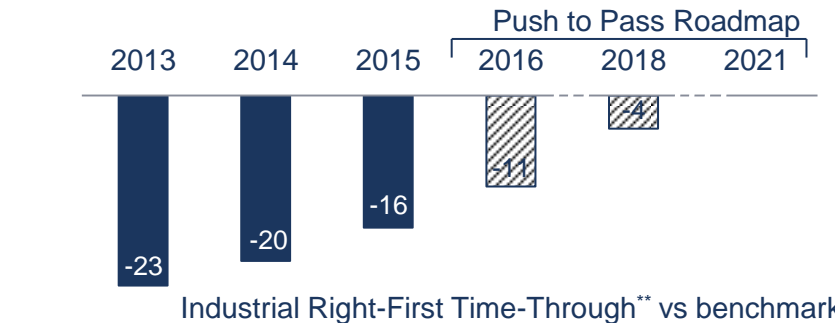
TARGETING BENCHMARK

P
R
O
D
U
C
T
S



4th*

PEUGEOT In China



S
E
R
V
I
C
E
S

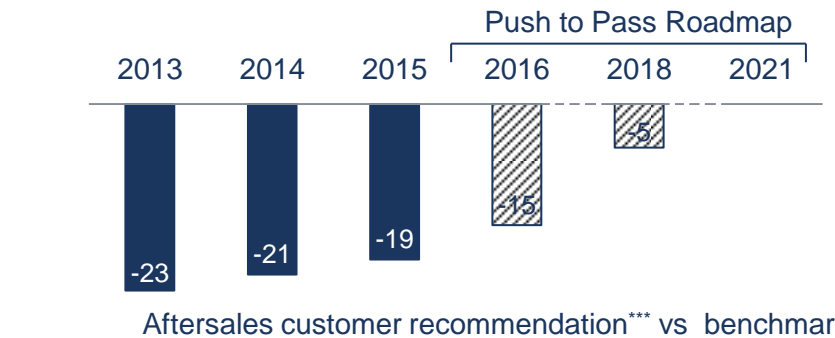
e.g. China:



1st*



3rd*



* In 2015 in China – source : **J.D. POWER** | 君迪

** Source : internal worldwide average in points vs benchmark

*** Source : internal customers feedbacks (Peugeot, Citroën, DS) in points vs benchmark

CORE MODEL STRATEGY ROLLING OUT ... 8 PRODUCTS LAUNCHED IN 2016



CORE MODEL STRATEGY ROLLING OUT ... 2016 MID-LIFE EVENTS



Europe	1		1	1		
China	1			1	1	1
Other Regions*	4	1	4	4	2	

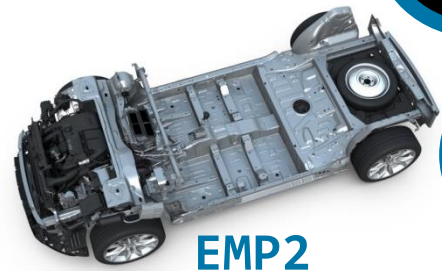
CORE MODEL & TECHNO STRATEGY - RICH & SHARP TECHNO STRATEGY



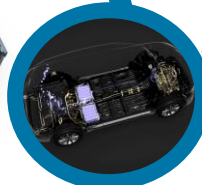
Best in class
petrol engine (3 cyl.)



State of the Art
Emission Control
Euro6 Diesel 100% SCR



EMP2



Alternative powertrain
7 PHEV
from 2019 to 2021
60 km range



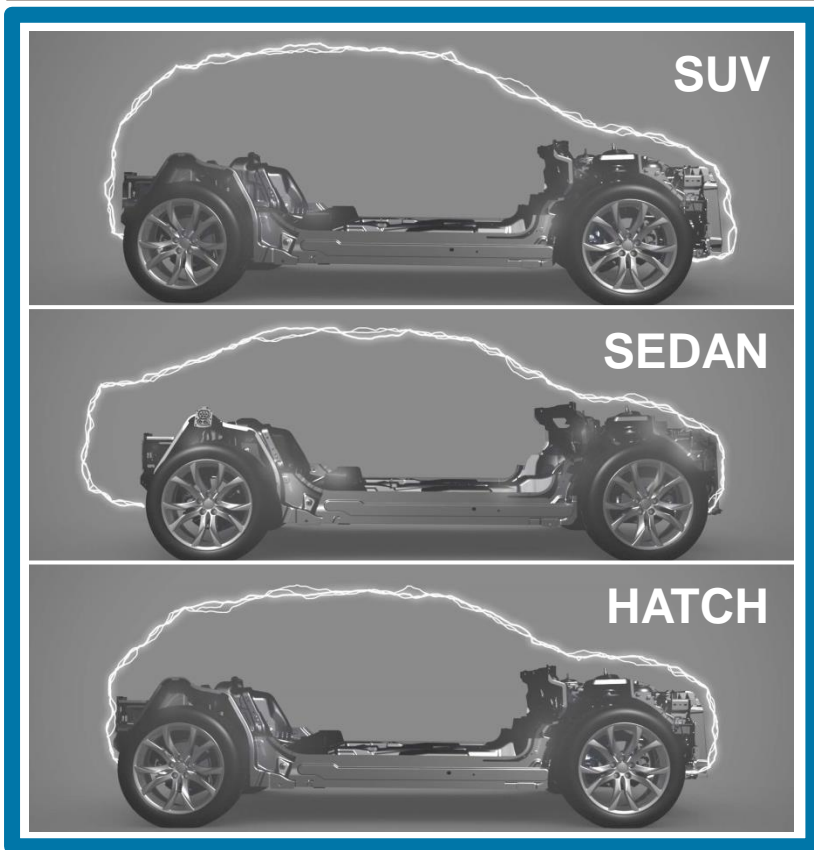
e-AWD

From 2019



ADAS & Connectivity Rolling out

CORE MODEL & TECHNO STRATEGY - RICH & SHARP TECHNO STRATEGY



Best in class
petrol engine (3 cyl.)



State of the Art
Emission Control
Euro6 Diesel 100% SCR

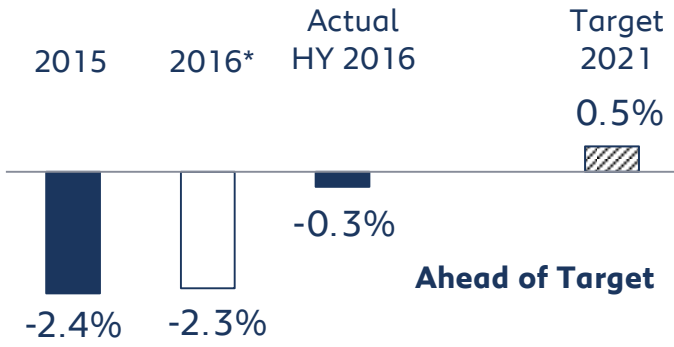
e-CMP
4 BEV from 2019 to 2021
450 km range

ADAS & Connectivity
Rolling out from 2019



Peugeot 3008

New i-Cockpit



Pricing Power Europe vs Benchmark

* Initial roadmap

PEUGEOT
MOVE UP MARKET
TO BECOME
THE BEST HIGH END
GENERALIST BRAND

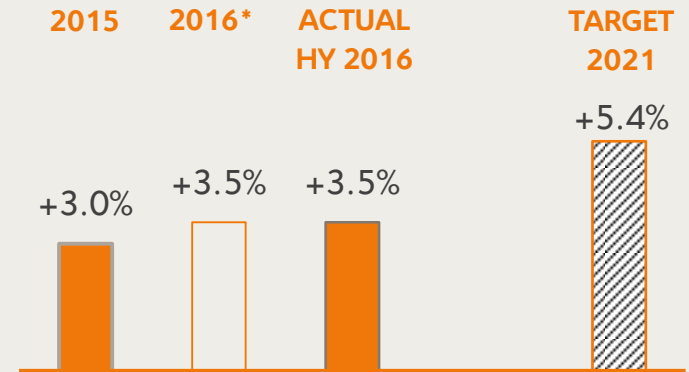
CITROËN – THE PEOPLE MINDED BRAND



Citroën C3



Pricing power on track Product momentum starts now



Pricing power Europe vs Benchmark

* Initial roadmap

DS – FRENCH AVANT-GARDE LUXURY EXPERIENCE

DS 3



+ 10
DS Store /
DS Salon
in Europe
in H1.2016



DS 4

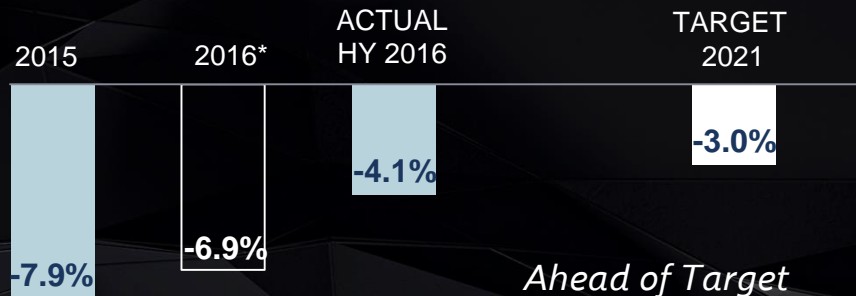


DS 5



European Range

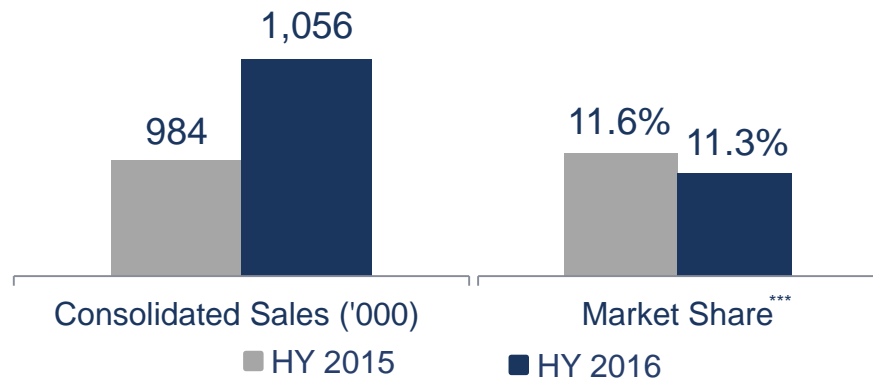
BRAND STRATEGY ROLLING OUT



30

Pricing Power Europe vs Benchmark
 * Initial roadmap

EUROPE – STRONG PERFORMANCE – PRODUCT BLITZ STARTS NOW!



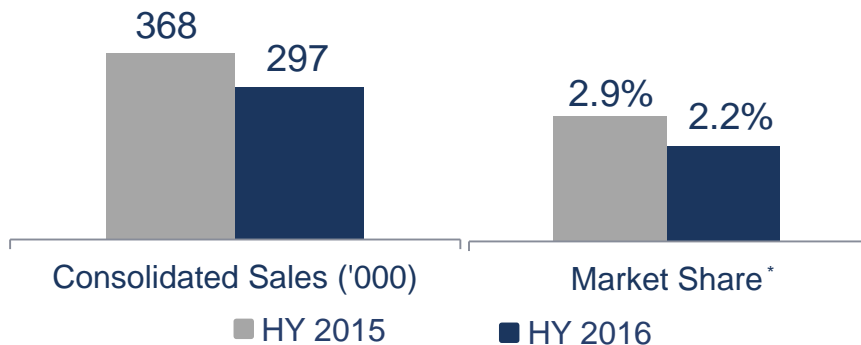
Automotive ROI and Pricing Power Up *

Strengths confirmed

- ✓ 2nd in market share
- ✓ LCV Leadership 19.3% market share
- ✓ CO₂ Leadership 102.3 g/km **

- ▶ **Product blitz starts now!**
- ▶ **New performance agreement signed with French Unions**

CHINA & SE ASIA – CAPSA BREAK-EVEN & DPCA NEW MID TERM PLAN



CAPSA – start-up mindset

- ✓ Pricing power up
- ✓ Break-even** 3 years after kick-off

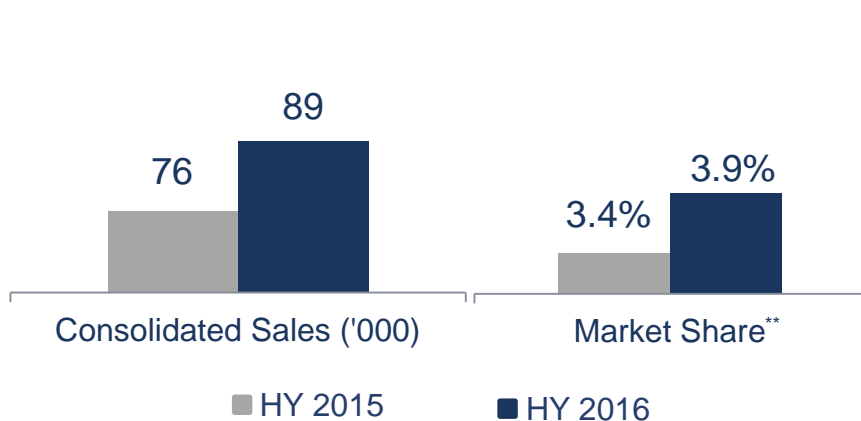
DPCA – rebuilding a new business model

- ✓ DPCA Margin 5.7%**
- ✓ New mid term plan « 5A+ »

DPCA « 5A+ » Targets :

- ▶ BRAND POWER - Quality : Top 3 by 2018 & n°1 by 2020
- ▶ EFFICIENCY : 30% productivity by 2020
- ▶ GROWTH : towards higher profit pools with 4 SUV launches over 2017-2018

LATIN AMERICA – PROFITABLE GROWTH IN H1 2016



SOUND SITUATION

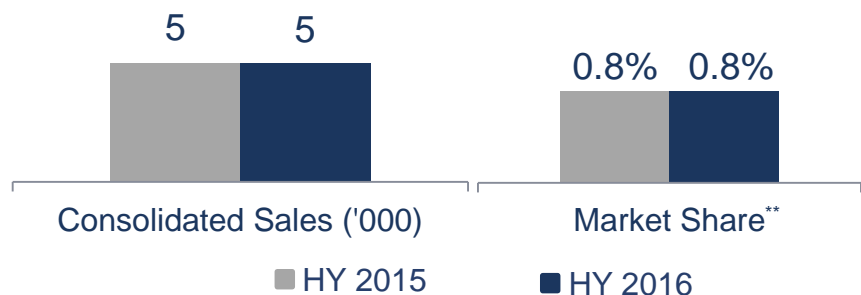
- ✓ Automotive ROI up*
- ✓ Fixed costs down -29%*
- ✓ Market share & volumes up



NEW FRONTIERS

- ▶ Sales outside Mercosur up +17%
- ▶ Andin corridor development on track
- ▶ Midsized van to be locally produced from 2017

EURASIA – CLOSE TO BREAK-EVEN & PREPARING FOR REBOUND



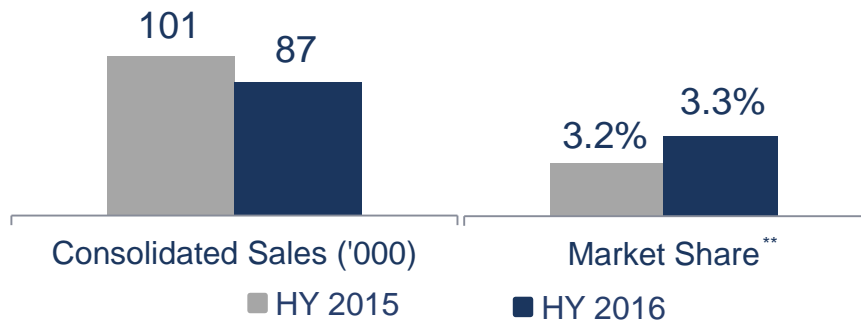
SOUND SITUATION

- ✓ Automotive ROI up*
- ✓ Fixed costs down*
- ✓ Pricing power up

TACKLING NEW FRONTIERS

- ▶ Leasing business
- ▶ LCV business
- ▶ Midsized van to be locally produced from 2018

MIDDLE EAST & AFRICA – 3 BRANDS IN IRAN

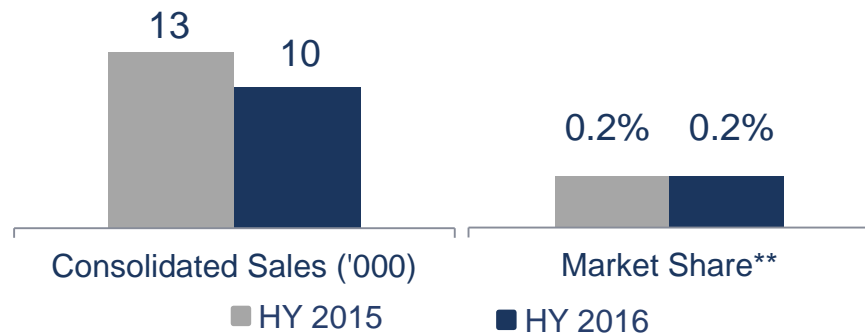


ROLLING OUT ON TRACK

- ✓ Automotive ROI up*
- ✓ DS distributed in Iran
- ✓ Peugeot joint-venture with Iran Khodro
- ✓ Citroën joint-venture with SAIPA



INDIA PACIFIC – FOCUS ON PROFITABLE GROWTH



Contrasted performance

- ✓ Automotive ROI up*
- ✓ Good momentum in Japan... Vol. +25%
- ✓ Australia preparing for up market strategy

- ▶ Introduction of Diesel offers in Japan in July 2016
- ▶ Launch of Citroën C4 Cactus in Korea in Q3

LIGHT COMMERCIAL VEHICLE – TACKLING NEW FRONTIERS



Volumes & profit up

Leadership in Europe 19.3% market share

- ✓ Compact Van : leader & segment share up
- ✓ Midsize Van : 2 launches
- ✓ Large Van : 3rd & segment share up



NEW FRONTIERS ON TRACK

- ▶ Leverage LCV strength in Latin America from 2017 & Eurasia from 2018

PSA GROUP 2021

FROM TURNAROUND TO PROFITABLE SUSTAINABLE GROWTH:
A CUSTOMER DRIVEN TRANSFORMATION

PUSH^{TO}
PASS



A GREAT CAR MAKER
With cutting edge efficiency



A MOBILITY PROVIDER
For a lifetime customer relationship

DIGITAL BOOSTER

A COMPETITIVE TEAM TO CHALLENGE BENCHMARKS

A MOBILITY PROVIDER

FOR A LIFETIME CUSTOMER RELATIONSHIP



CUSTOMER
INSIDE



HASSLE
FREE
MOBILITY



MULTI-BRAND
AFTERMARKET



USED CARS
NEW
CUSTOMERS



CONNECTED
AND
MOBILITY
SERVICES



NORTH
AMERICA
10 YEAR
PROJECT



ENLARGE OUR CUSTOMER BASE

HASSLE FREE MOBILITY




- ✓ Insurance penetration rate +20pts* in 2 years
- ✓ Full set of innovative insurance solutions under development



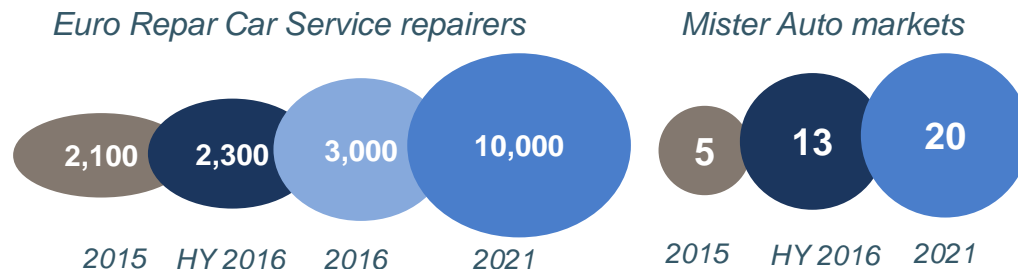
Telematic “Pay How you Drive” in UK

- ▶ Commercial success : Peugeot 108 segment share podium
- ▶ New & younger customers for Citroën C1 : from 41 to 26 average age
- ▶ Full digital solution : Data in real time through Telematic Box, scorecard on customer page













AFTERMARKET STRATEGY TO ENLARGE CUSTOMER BASE

CUSTOMER NEEDS		CHANNELS		
		Authorized Repairers 	Independent repairers, incl. 	E-commerce 
Reinsurance	PSA Original Parts	✓	✓	
Smart Buy	Eurorepar Parts	NEW ✓	95% coverage* ✓	NEW ✓
	Aftermarket (IAM) Parts	NEW ✓	✓	NEW ✓
Best Cost	Bölk Parts			NEW ✓

GEOGRAPHIC COVERAGE



CONNECTED VEHICLE AND MOBILITY SOLUTIONS

	Mobility & Fleet Management 		Connected Aftersales 		Data Analytics 	
	I am free to be a user		I optimize my car budget		I like my Brand	I want easy and safe travels
	Rental	B2C Car-Sharing	B2C Car-Sharing / Peer-to-Peer	Connect Fleet Management / B2B Car-Sharing	Leads	Smarter Cities
In-house	PEUGEOTRENT <small>LOCATION DE VOITURES PEUGEOT</small> Soon :  	multicity <small>CITROËN</small> 250 EVs		CREDIPAR INTERPARC CONNECT MANAGEMENT	  France + 5 countries + 15 pts in loyalty*	
Shareholding		Bolloré Bordeaux & Lyon 	 	 OpenFleet B2B Car sharing	autobutler	
Partnerships			tripndrive Citroën cars	TOMTOM TELEMATICS 		IBM 3 cities + 2 in progress High satisfaction

€300 M REVENUES BY 2021



FOCUS ON EXECUTION

- » **PERFORMANCE MATTERS MORE THAN SIZE**
- » **GROWTH AS A REWARD OF A JOB WELL DONE**

Q&A



APPENDICES



CONSOLIDATED WORLDWIDE SALES

<i>Units*</i>		HY 2015	HY 2016	Change
Europe**	Peugeot	557,187	601,313	+7.9%
	Citroën	385,703	413,620	+7.2%
	DS	40,654	40,942	+0.7%
	Total PSA	983,544	1,055,875	+7.4%
China & South East Asia	Peugeot	207,512	162,593	-21.6%
	Citroën	149,784	125,174	-16.4%
	DS	10,774	8,740	-18.9%
	Total PSA	368,070	296,507	-19.4%
Latin America	Peugeot	46,985	59,351	+26.3%
	Citroën	28,635	28,994	+1.3%
	DS	659	446	-32.3%
	Total PSA	76,279	88,791	+16.4%
Eurasia	Peugeot	2,816	2,713	-3.7%
	Citroën	2,299	2,390	+4.0%
	DS	41	50	+22.0%
	Total PSA	5,156	5,153	-0.1%
India-Pacific	Peugeot	10,438	7,983	-23.5%
	Citroën	2,022	1,670	-17.4%
	DS	524	805	+53.6%
	Total PSA	12,984	10,458	-19.5%
Middle East & Africa	Peugeot	61,700	57,382	-7.0%
	Citroën	38,360	29,115	-24.1%
	DS	796	923	+16.0%
	Total PSA	100,856	87,420	-13.3%
Total Consolidated Worldwide Sales	Peugeot	886,638	891,335	+0.5%
	Citroën	606,803	600,963	-1.0%
	DS	53,448	51,906	-2.9%
	Total PSA	1,546,889	1,544,204	-0.2%

HY 2015 RESTATEMENT - FAURECIA AUTOMOTIVE EXTERIORS DIVESTMENT

<i>In million Euros</i>	HY 2015 presented in July 2015	Faurecia Automotive Exteriors IFRS5 impacts	HY 2015 presented in July 2016
Group Revenue	28,904	(868)	28,036
Group Recurring Operating Income	1,424	(40)	1,384
Consolidated Net Income	720	-	720
Free Cash Flow*	2,792	(74)	2,718

GROUP REVENUE BY DIVISION

<i>In million Euros</i>	HY 2015*	HY 2016	Change
Automotive	19,409	19,190	(219)
Faurecia	9,489	9,532	43
Other businesses and eliminations**	(862)	(943)	(81)
Group Revenue	28,036	27,779	(257)

GROUP RECURRING OPERATING INCOME BY DIVISION

<i>In million Euros</i>	HY 2015*	HY 2016	Change
Automotive	975	1,303	328
Faurecia	384	490	106
Other businesses and eliminations**	25	37	12
Group Recurring Operating Income	1,384	1,830	446

BANQUE PSA FINANCE

<i>In million Euros</i>	HY 2015*	HY 2016*	Change
Revenue	838	737	-101
Net banking revenue	534	537	+3
Cost of risk (in % of average loans)	0.25%	0.15%	-0.1pt
Recurring Operating Income	294	297	+3
Penetration rate	28.3%	29.3%	+1.0pt
Number of new contracts (lease and financing)	368,126	400,338	+32,212

FAURECIA

<i>In million Euros</i>	HY 2015 *	HY 2016	Change
Revenue	9,489	9,532	+43
Recurring Operating Income	384	490	+106
% of revenue	4.0%	5.1%	
Consolidated net income	253	284	+31
Free Cash Flow	169	212	+43
Net Financial Position (End 2015)	(1,026)	(1,067)	-41

PARTNERSHIPS

<i>In million Euros</i>	HY 2015*	HY 2016	Change
50% Automotive Chinese JVs	178	88	-90
50% Chinese Financial JV	8	7	-1
50% Banque PSA Finance JVs	51	80	+29
Other	(4)	(26)	-22
Share in net earnings of companies at equity	233	149	-84
100% Banque PSA Finance businesses to be continued in partnership	60	24	-36
Faurecia Automotive Exteriors	40	47	+7
Net result from operations held for sale or to be continued in partnership	100	71	-29

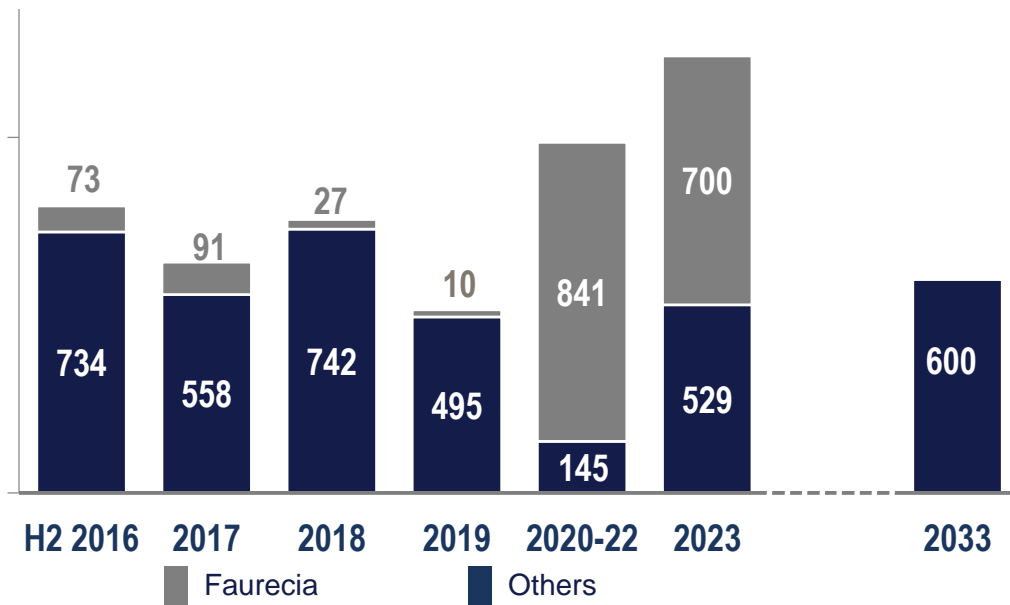
FINANCIAL SECURITY

<i>In million Euros</i>	31 December 2015	30 June 2016	Change
Cash and Cash Equivalents	10,465	11,056	+591
Financial Investments	352	185	-167
Current & non current financial assets	535	953	+418
TOTAL Cash & Financial assets	11,352	12,194	+842
Lines of Credit (undrawn) – excluding Faurecia	3,000	3,000	-
Lines of Credit (undrawn) – Faurecia	1,200	1,200	-
TOTAL Financial Security	15,552	16,394	+842

DEBT MATURITY PROFILE – PRIORITY TO REDUCE FINANCING COSTS

Gross debt* in nominal value - End June 2016

In million Euros



- Faurecia: €700M 7 years 3.625% bond issue successfully priced on March 16, 2016
- Faurecia: €490M December 2016 bond fully redeemed on April 12, 2016
- PSA Group: €500M 7 years 2,375% bond issue successfully priced on April 8, 2016
- PSA Group: €496M tendered on bonds 2017, 2018 and 2019 redeemed on June 22, 2016