



PSA PEUGEOT CITROËN



# Q3 REVENUES 2012

October 24<sup>th</sup>, 2012

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## Q3 2012 Highlights

- Group revenues down 3.9% year-on-year, Automotive division revenues down 8.5% in a difficult European environment
- Restructuring plan progressing as planned
- BPF: new financing
- GM Alliance: key steps confirmed, with the selection of 4 vehicles projects and confirmed next steps in the creation of a joint purchasing organization. Synergy target of \$2bn confirmed.
- Gefco: successful process to open the capital (75% interest)





# 2012 THIRD QUARTER REVENUES

Jean-Baptiste de CHATILLON

CFO and Member of the Managing Board

# Q3 2012 Revenues: €12.93bn

<i>In million euros</i>	Q3 11	Q3 12	Change	9m 11	9m 12	Change
Automotive	9,310	<b>8,523</b>	-8.5%	31,895	<b>28,726</b>	-9.9%
Faurecia	3,787	<b>4,086</b>	+7.9%	11,938	<b>12,850</b>	+7.7%
Gefco	850	<b>852</b>	+0.2%	2,867	<b>2,733</b>	-4.7%
Banque PSA Finance	493	<b>471</b>	-4.5%	1,435	<b>1,450</b>	+1.1%
Other businesses and intra-company eliminations	(990)	<b>(1,001)</b>	-	(3,550)	<b>(3,275)</b>	-
<b>Total revenues (incl. Gefco)</b>	<b>13,450</b>	<b>12,931</b>	<b>-3.9%</b>	<b>44,585</b>	<b>42,484</b>	<b>-4.7%</b>
<b>Total revenues proforma (after Gefco held for sale classification)*</b>	<b>13,123</b>	<b>12,576</b>	<b>-4.2%</b>	<b>43,540</b>	<b>41,386</b>	<b>-4.9%</b>

\* IFRS 5 compliance implies Held-for-sale classification for Gefco revenues as of Q3 2012





—  $\Delta$  vs. previous year —

## Cars and light commercial vehicles – Market evolution

	9m 2012
Europe 30	<b>-7.8%</b>
<i>Italy</i>	-21.7%
<i>France</i>	-12.9%
<i>Spain</i>	-12.7%
<i>UK</i>	+3.2%
<i>Germany</i>	-1.9%

	9m 2012
China*	<b>+6.9%</b>
Latin America**	<b>+4.9%</b>
Russia	<b>+13.8%</b>

\* Passengers vehicles on invoices market w/o imports

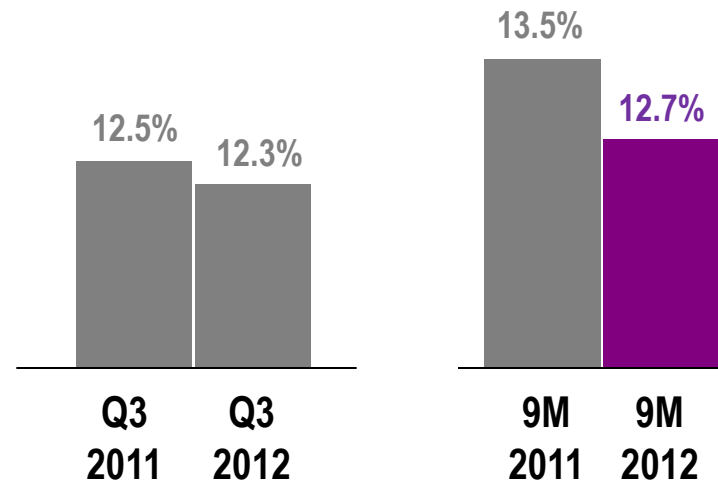
\*\* Brazil, Argentina, Chile, Mexico



# Automotive: European market share

- ▶ Stable European market share at iso-market mix, supported by new launches
- ▶ LCV: European leadership with 20.6% market share

## Market share in Europe 30\*



\* PC - LCV



# Strong pipeline of new products to support European market share

- ▶ Successful 2012 launches
- ▶ Peugeot 208: number 1 in its segment for diesel in Europe in Q3

## Peugeot 208

- ▶ Over 130,000 orders since March
- ▶ New 3 cylinder petrol engine



## Hybrid 4

- ▶ Over 20% of Citroën DS5 mix
- ▶ 10% of Peugeot 3008 & 508 mix

## DS line

- ▶ Over 250,000 cars sold
- ▶ 15% of Citroën Sales (>20% in UK)



## Range extension

- ▶ Entry models: Peugeot 301 & Citroën C-Elysée
- ▶ 2 new SUVs

▶ Young average age of the range supporting a positive momentum





# Strong pipeline of new products to support European market share



■ Peugeot 2008: urban crossover

■ Peugeot 208 GTI & 208 XY

■ DS Line extension: DS3 Cabrio

■ Peugeot RCZ Facelift & RCZ R

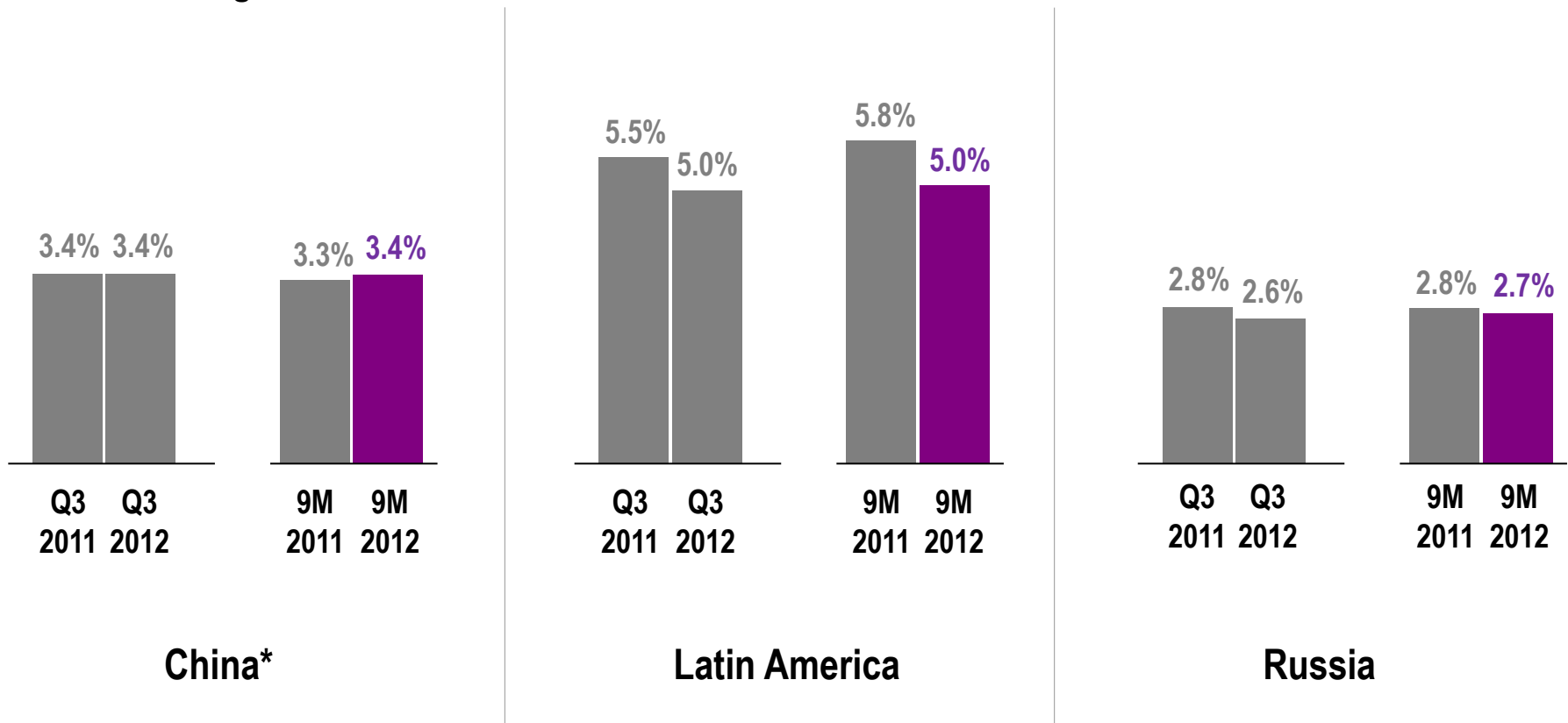
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# Automotive: market share outside Europe

- ▶ China and Russia: keeping pace with market growth
- ▶ Latin America: slight decrease due to tax distortion on segment mix

## Cars and light commercial vehicles – Market share



China\*

Latin America

Russia

\* Passengers vehicles on invoices market w/o imports



# Automotive: worldwide unit sales

- ▶ 36% sales volume outside Europe (excluding CKD) +4bp vs. 2011
- ▶ On track for 50% sales volumes outside Europe by 2015

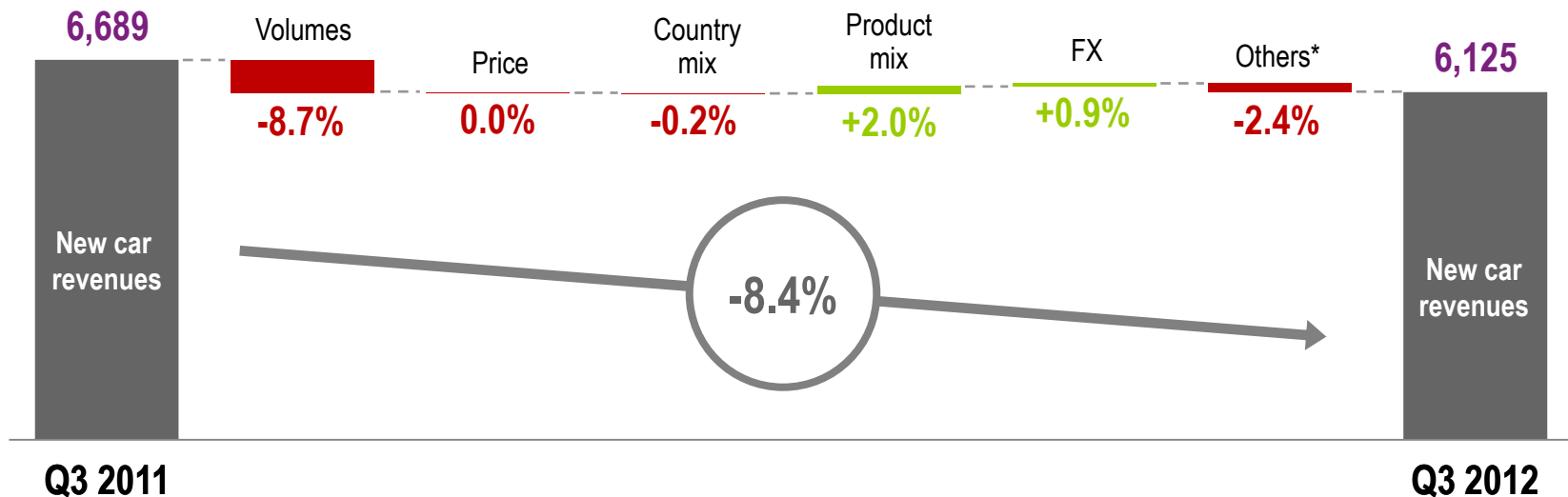
<i>In thousands units</i>	9m 2011	9m 2012	Δ
Europe	1,568	<b>1,340</b>	-14.7%
Russia	55	<b>60</b>	+9.4%
Latin America	239	<b>203</b>	-15.1%
Rest of the world	167	<b>185</b>	+10.8%
<b>Assembled vehicles (excluding China)</b>	<b>2,028</b>	<b>1,788</b>	<b>-11.8%</b>
China	291	<b>314</b>	+7.6%
<b>Total assembled vehicles</b>	<b>2,320</b>	<b>2,102</b>	<b>-9.4%</b>
Total CKD	328	<b>144</b>	-56.1%
<b>Total assembled vehicles + CKD units</b>	<b>2,648</b>	<b>2,245</b>	<b>-15.2%</b>



# Automotive: new car revenue analysis

- ▶ Unfavorable European context weights on volumes
- ▶ Price competition maintained
- ▶ Positive product mix contribution on top of a strong Q3 2011

— In million euros —



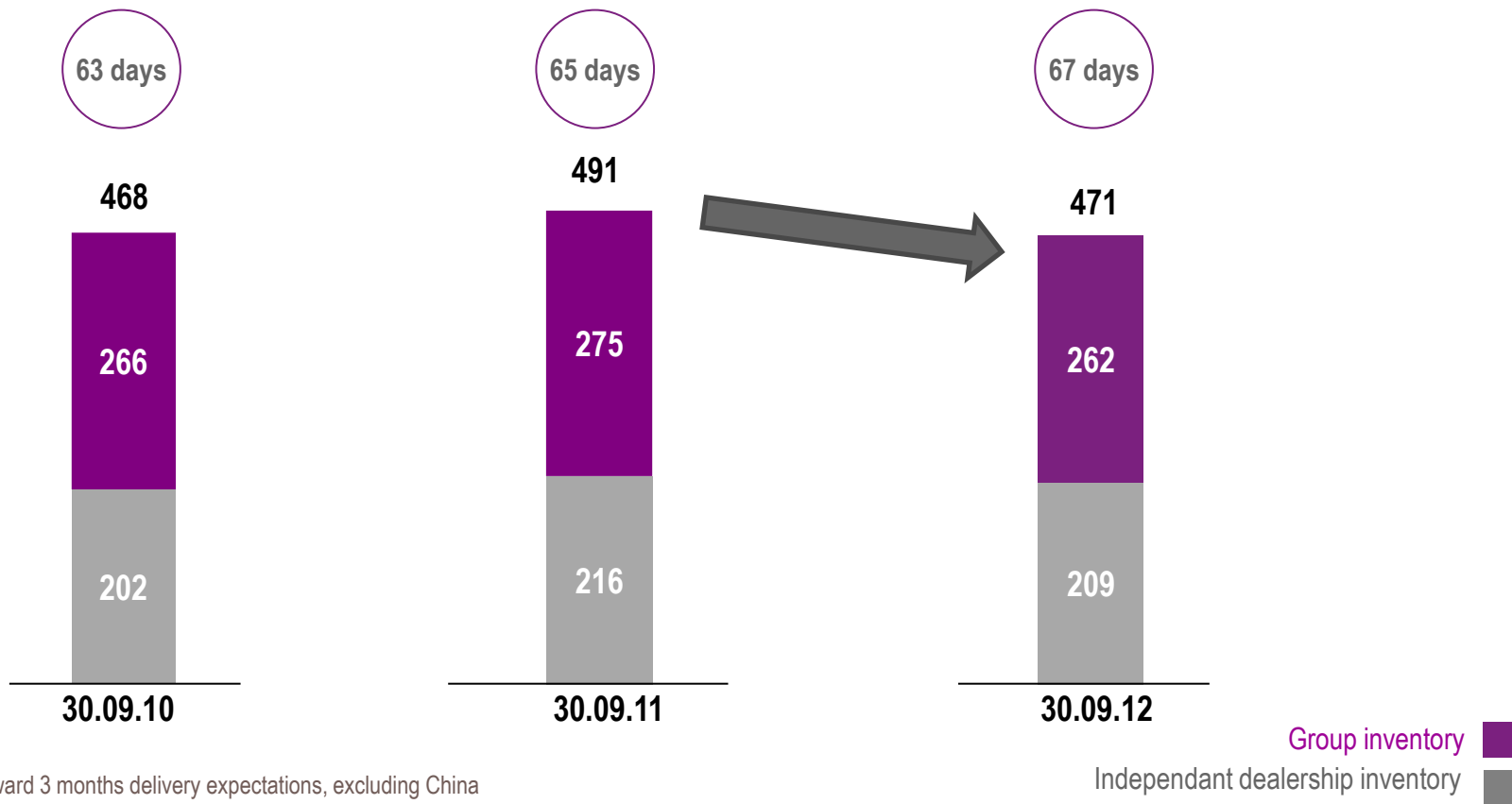
\* CKD, accounting treatment of buy back commitment, short term rental



# Inventories

- ▶ December 2012 inventories lower than 2010 level, with production cuts scheduled in Q4
- ▶ Q3 2012 inventories reduced by 20k vehicles vs. Q3 2011

*In thousands of new vehicles\**



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

- ▶ Opening of the capital of Gefco (75% interest): cash impact €900m
- ▶ GM contract signed on 2 July

<i>In million euros</i>	Q3 2011	Q3 2012	Δ	9m 2011	9m 2012	Δ
PSA Peugeot Citroën	513	<b>487</b>	-5.1%	1,787	<b>1,595</b>	-10.7%
Third parties	337	<b>366</b>	+8.6%	1,080	<b>1,138</b>	+5.4%
<b>Revenues</b>	<b>850</b>	<b>852</b>	<b>0%</b>	<b>2,867</b>	<b>2,734</b>	<b>-4.7%</b>

- ▶ Exclusive negotiations with RZD
- ▶ A global transportation & logistics player, with opportunities in high growth areas & Russia
- ▶ Clear business synergies



**A driver for faster growth and increasing revenues**





- ▶ Sales +8% with growth in North America and Asia
- ▶ Europe down -4%

<i>In million euros</i>	Q3 2011	Q3 2012	Change	9m 2011	9m 2012	Change
Automotive Seating	1,101	1,177	+6.8%	3,551	3,735	+5.2%
Interior Systems	684	890	+30.1%	2,270	2,623	+15.7%
Emissions Control Technologies Systems	712	769	+8.0%	2,168	2,429	+12.0%
Automotive Exteriors	368	381	+3.6%	1,211	1,183	-2.3%
<b>Total Product revenues</b>	<b>2,865</b>	<b>3,217</b>	<b>+12.3%</b>	<b>9,198</b>	<b>9,970</b>	<b>+8.4%</b>
Monolith revenues	668	608	-8.9%	1,993	2,018	+1.3%
Development, Tooling & Prototype revenues	254	261	+2.6%	747	862	+15.3%
<b>Total revenues</b>	<b>3,787</b>	<b>4,086</b>	<b>+7.9%</b>	<b>11,938</b>	<b>12,850</b>	<b>+7.6%</b>

\* End of period





## BPF: NEW FINANCING

Jean-Baptiste de CHATILLON  
CFO and Member of the Managing Board

# Banque PSA Finance

- ▶ Sustained production of new contracts in Q3
- ▶ High & resilient profitability, 6 months liquidity secured
- ▶ Strong core Tier 1 ratio of 13%

<i>In million euros</i>	Q3 2011	Q3 2012	Δ	9m 2011	9m 2012	Δ
Revenues	493	<b>471</b>	-4.5%	1,435	<b>1,450</b>	+1.1%
Total outstanding loans (end of period)	-	-	-	23.5bn	<b>23.7bn</b>	+0.9%
Number of new contracts (lease and financing)	200,000	<b>192,000</b>	-4.0%	644,000	<b>606,000</b>	-5.9%



# Banque PSA Finance : new financing

- Securitization up from 18% to 30%, including ECB repo-eligible assets
- €11.5bn facilities to be made available by the pool of Banks, including €1bn further new liquidity, with drawdowns possible over the full 2013-2015 period
- French State intends to provide €7bn in refinancing guarantee for new bond issues for next 3 years
- Retail deposit activity to be launched in early 2013





## 2012 ACTION PLAN ON TRACK

Jean-Baptiste de CHATILLON  
CFO and Member of the Managing Board

# 2012 Cash action plan on track

	FY 2012	9m 2012
Cost reduction	▶ €1bn confirmed	<input checked="" type="checkbox"/> ▶ €503m in H1 <input checked="" type="checkbox"/> ▶ Fixed cost and procurement on track for H2
Asset disposals	▶ > €1.5bn	<input checked="" type="checkbox"/> ▶ Gefco: €900m, closing in Dec. 2012 <input checked="" type="checkbox"/> ▶ Real estate: c. €500m in 2012 <input checked="" type="checkbox"/> ▶ CITER: €448m
Investments prioritisation	▶ Automotive Capex and R&D to be reduced	<input type="checkbox"/> ▶ Projects on hold or postponed
Inventories	▶ Back to 2010 levels	<input checked="" type="checkbox"/> ▶ Volumes ≤ 2010

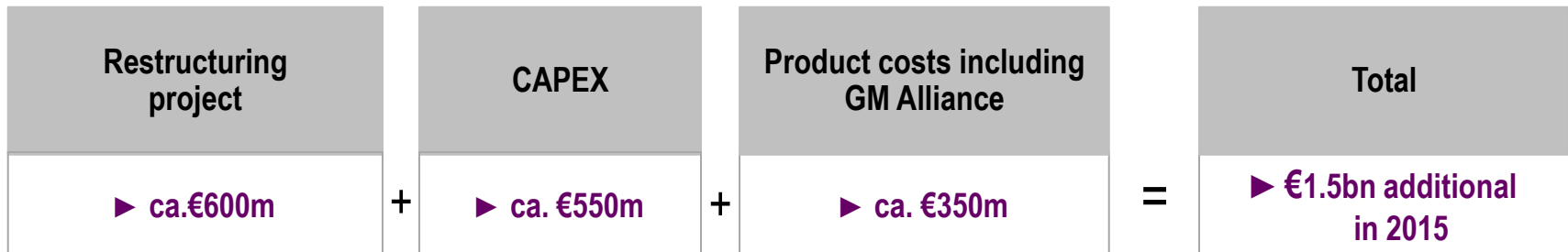


**To face up to higher pressure in Europe in H2**





# REBOUND 2015: Restore Automotive profitability in Europe



**Break-even in Group operational free cash flow by end 2014**





## GLOBAL ALLIANCE WITH GM: KEY STEPS CONFIRMED

Jean-Baptiste de CHATILLON  
CFO and Member of the Managing Board

# PSA Peugeot Citroën and GM confirm key steps in their Global Strategic Alliance

## Logistics

- ▶ GM Europe and Russia Logistics transferred to Gefco, agreement signed on July 2<sup>nd</sup>
- ▶ Additional annual revenues

## Joint Purchasing organization

- ▶ Confirmed next steps in the creation of a joint purchasing organization
- ▶ Antitrust authorization processes underway in H2

## Joint projects

- ▶ 4 projects are now selected
- ▶ Work ongoing to finalize development agreements



## Key steps confirmed

### 4 common vehicle platform development projects\*:

- ▶ A joint program for a C-MPV for Opel/Vauxhall and a C-CUV for the Peugeot brand
- ▶ A joint MPV program for the B segment for Opel/Vauxhall and the Citroën brand
- ▶ An upgraded low CO<sub>2</sub> B segment platform to feed Opel/Vauxhall and PSA's next generation of cars in Europe and other regions
- ▶ A joint program for D segment cars for Opel/Vauxhall and the Peugeot and Citroën brands

Confirmation of the next steps in joint purchasing, to realize purchasing synergies benefitting both companies

**Synergy target of \$2bn annually within 5 years  
confirmed for the 2 Groups**

\* C-MPV = compact-class Multi-Purpose Van / C-CUV = compact-class Crossover Utility Vehicle / B Segment = Small car / D segment = Mid-size car





## OUTLOOK

Jean-Baptiste de CHATILLON  
CFO and Member of the Managing Board



## Market assumptions

- **Europe:** c. -9% (vs. -8% in July 2012)
- **China:** c. +7%
- **Latin America:** c. +5% (vs. +2% in July 2012)
- **Russia:** c. +11% (vs. +9% in July 2012)

## 2012 Group objective

- **Group Net Debt estimated around €3bn**, as a result of asset disposals, market and price pressure in Europe, manufacturing production adjustment in Q4 and the evolution of Faurecia's cash flow







# APPENDIX

# Worldwide unit sales

IN THOUSAND OF UNITS*		Q3 2011	Q3 2012	CHANGE	9 MONTH 2011	9 MONTH 2012	CHANGE
Europe**	AP	221,378	195,186	-11.8%	835,936	720,542	-13.8%
	AC	191,911	164,291	-14.4%	731,786	619,656	-15.3%
	<b>Total PSA</b>	<b>413,289</b>	<b>359,477</b>	<b>-13.0%</b>	<b>1,567,722</b>	<b>1,340,198</b>	<b>-14.5%</b>
Russia	AP	11,143	11,389	2.2%	33,208	34,436	3.7%
	AC	8,285	7,958	-3.9%	21,619	25,519	18.0%
	<b>Total PSA</b>	<b>19,428</b>	<b>19,347</b>	<b>-0.4%</b>	<b>54,827</b>	<b>59,955</b>	<b>9.4%</b>
Latin America	AP	49,103	49,978	1.8%	138,708	126,155	-9.0%
	AC	35,835	31,817	-11.2%	100,607	77,110	-23.4%
	<b>Total PSA</b>	<b>84,938</b>	<b>81,795</b>	<b>-3.7%</b>	<b>239,315</b>	<b>203,265</b>	<b>-15.1%</b>
China	AP	42,500	50,571	19.0%	123,393	154,106	24.9%
	AC	54,391	53,873	-1.0%	168,064	159,447	-5.1%
	<b>Total PSA</b>	<b>96,891</b>	<b>104,444</b>	<b>7.8%</b>	<b>291,457</b>	<b>313,553</b>	<b>7.6%</b>
Rest of the world	AP	33,221	39,603	19.2%	109,095	123,613	13.3%
	AC	19,870	20,601	3.7%	57,285	60,946	6.4%
	<b>Total PSA</b>	<b>53,091</b>	<b>60,204</b>	<b>13.4%</b>	<b>166,380</b>	<b>184,559</b>	<b>10.9%</b>
Total Assembled vehicles	AP	357,345	346,727	-3.0%	1,240,340	1,158,852	-6.6%
	AC	310,292	278,540	-10.2%	1,079,361	942,678	-12.7%
	<b>Total PSA</b>	<b>667,637</b>	<b>625,267</b>	<b>-6.3%</b>	<b>2,319,701</b>	<b>2,101,530</b>	<b>-9.4%</b>
CKD	AP	120,280	770	-99.4%	328,075	143,883	-56.1%
	AC	-	-	-	-	-	-
	<b>Total PSA</b>	<b>120,280</b>	<b>770</b>	<b>-99.4%</b>	<b>328,075</b>	<b>143,883</b>	<b>-56.1%</b>
Total Assembled vehicles + CKD units	AP	477,625	347,497	-27.2%	1,568,415	1,302,735	-16.9%
	AC	310,292	278,540	-10.2%	1,079,361	942,678	-12.7%
	<b>Total PSA</b>	<b>787,917</b>	<b>626,037</b>	<b>-20.5%</b>	<b>2,647,776</b>	<b>2,245,413</b>	<b>-15.2%</b>

\* Assembled vehicles, CKD units

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



# Globalisation: focus on China

▶ **DPCA: 2 launches in H2 2012**

▶ **CAPSA: DS Line launched**



■ **Citroën C4 L and 1 SUV for Peugeot** to be launched end 2012

■ **Citroën C-Elysée** to be produced in 2013

■ **Success of the Peugeot 308 and of the New Citroën C-Quatre**

■ **Dividend: RMB 776m in 2012, up by 32%**

■ **DS Line launched June 28<sup>th</sup>:** imported DS5, DS4, DS3

■ **Localized DS5 end 2013** in Shenzhen

■ **Dealers: 11 DS stores opened and 30 by December, 80 DS Stores by end of 2013 in 55 cities and 200 by 2015**



# Globalisation

▶ **Russia:** Start of full scale production

▶ **Latin America:** New product momentum



- **1<sup>st</sup> Russian CKD model - Peugeot 408** - commercial launch in September
- **+38% for LCV end of September**, market share +1.9pt vs. 9m 2011
- **150 dealerships by the end of the year**

- **Success of the launch of the Peugeot 308 in March and the new Citroën C3 in August in Brazil**
- **DS models to be launched** in 2012
- **Peugeot 208 to be locally produced** in 2013





# Brand upscaling

- ▶ C&D segments up 2pts
- ▶ Premium vehicles contributing 40% of commercial margin

<i>% of total sales</i>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>9m 2010</b>	<b>9m 2011</b>	<b>9m 2012</b>
C & D segments	38%	40%	43%	39%	43%	45%
A & B segments	46%	43%	38%	44%	39%	38%
Premium vehicles*	9%	13%	18%	13%	17%	18%

\* Premium vehicles: distinctive models from the A, B and C segments (Peugeot 207CC, 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)