

## **GIE PSA TRESORERIE**

Economic Interest Group

With €15,000 in Capital

Registered office: 75, avenue de la Grande Armée - PARIS (16<sup>th</sup>)

Companies registration number PARIS C 377 791 967

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### **ORDINARY GENERAL MEETING OF 31 January 2014**

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#### **SOLE DIRECTOR'S REPORT**

Dear Sirs,

In my capacity as Permanent Representative of your Grouping's Sole Director, I have the honour of reporting to you on its activities over the past year, presenting the outlook for 2014, submitting the 2013 annual financial statements for your approval and, finally, asking you to allocate the earnings for the year.

#### **RESPONSIBILITIES AND ACTIVITIES DURING 2013:**

- Your Grouping centralizes the cash requirements and surpluses of industrial and commercial companies in the PSA PEUGEOT CITROEN Group in Europe: countries of the Eurozone via Euro cash pooling, and the United Kingdom, Switzerland, Sweden, Norway, Denmark, Poland, Czech Republic and Hungary via foreign currency cash pooling managed by PSA International;
- Your Grouping manages net cash surpluses, in accordance with the PSA PEUGEOT CITROËN Group's investment policy, and within the counterparty limits governing its commitments;
- Your Grouping implements the rate management policy of the PSA PEUGEOT CITROËN Group;
- Your Grouping assigned two lines of credit in 2013 in favour of PCMA Russia. The first, introduced in June 2013 to fund capital expenditures, for an amount of 900 million rubles, and with a maturity of 2 years and 5 months and was drawn for 740.7 million rubles for a period of 8 months. The second line, established in December 2013 to meet the ratios of the European Bank for Reconstruction and Development required under the financing it provides to the subsidiary, amounting to 1,400 million rubles and with a maturity of 1 year, has been fully drawn for a duration of six months;
- In December 2013, your Grouping assigned a line of credit in favour of TPCA to fund capital expenditures, for an amount of €50 million with a maturity of 13 months; this line was not drawn in 2013;
- Due to a risk of structural subordination, raised by Moody's rating agency, in respect of the holders of bonds issued by PSA linked to other creditors of the Group, particularly GIE PSA Trésorerie's creditors, guarantees were granted in June 2013 by GIE PSA Trésorerie in favour of bondholders, to cover PSA's issues;

- On 28 November 2013, the GIE PSA Trésorerie signed a guarantee agreement in favour of the European Investment Bank for a loan subject to amortization granted on 8 October 2013 to Peugeot Citroën Automobiles for an amount of €300 million and a term of 5 years. This loan was drawn on December 16, 2013.

### **Cash position with regard to members of the Grouping and other PSA PEUGEOT CITROËN Group counterparties**

The loan accounts granted to members of the Grouping and other counterparties of the PSA PEUGEOT CITROËN Group represented €6,379 million in average annual outstandings (against €9,087 million in 2012) when loan accounts to these entities totalled €4,751 million (against €7,735 million in 2012). The significant changes in average outstanding loans to Group entities between 2012 and 2013 are due to the recapitalization of Peugeot Citroën Automobiles SA by Peugeot SA totalling €3,833 million on 22 November 2012.

Since June 2009, the financing rate applied to members of the Grouping has been set on a monthly basis, in order to charge the funding costs incurred, less investment income received, back to members.

### **External financing**

Your Grouping has made use of two new external financing facilities, via Peugeot SA:

- In March 2013, a bond issue of €1,000 million with a maturity of 5 years;
- In September 2013, a bond issue of €600 million with a maturity of 5 years and 4 months.

The amounts received by Peugeot SA were loaned to the Grouping through loans with the same terms as the financial transaction carried out by Peugeot SA.

At the same time as the bond issue of September 2013, your Grouping made partial early repayments totalling €300 million distributed over four bonds, via Peugeot SA.

In October 2013, your Grouping also carried out, via Peugeot SA, the repayment on maturity of two bonds for a total amount of €775 million.

In 2013, the average outstandings of all external financing amounted to €5,801 million, against €5,119 million in 2012.

Financial expenses resulting from external funding amounted to €361 million for 2013, against €263 million in 2012.

### **Interest rate hedges**

Given the level of interest rates, no new interest rate hedging has been established. In 2013, no financing was covered by interest rate hedging, either directly or via Peugeot SA.

### **Investments**

The average amount of cash investments in 2013 was €4,837 million, against €3,911 million in 2012.

Investments in your Grouping were distributed as follows in 2013, in average annual amounts (in millions of euros):

<b>Current cash and cash equivalents</b>	<b>4,801</b>
<b>marketable debt securities/short-term banking</b>	1,206
<b>Cash UCITS</b>	2,391
<b>Day to day loans and securities loans</b>	1,204
<b>Ongoing investments</b>	<b>35</b>
<b>Cash and cash equivalents</b>	<b>1</b>
<b>Total</b>	<b>4,837</b>

Financial income from external investment transactions amounted to €14 million in 2013, against €22 million in 2012, with the Eonia rate varying significantly, to 0.09% on average in 2013 against 0.23% in 2012.

### **OUTLOOK FOR 2014**

Your Grouping will continue to fulfil its responsibilities (i) of pooling the cash surpluses and requirements of members of the Grouping, (ii) of investing net surpluses, as well as (iii) acting as an intermediary in terms of managing interest rate risk.

Your Grouping will continue to optimise the return on its investments whilst preserving its short-term financial security.

### **REVIEW OF ACCOUNTS FOR 2013**

The annual financial statements were prepared in accordance with current legal requirements and have been approved by your Grouping's Statutory Auditors. They include the balance sheet, the income statement and the notes to the financial statements. The notes contain information material to the understanding of the financial statements which, consequently, must be reported.

**The income statement for the year** shows a loss of €0.8 million, compared with a loss of €0.4 million the previous year.

**Financial income** for the year was up and stood at €28.4 million, compared with €11.1 million in 2012.

The change in operating income breaks down as follows:

- **-€97 million** due to increased expenses related to external funding: the average outstanding external debt, €5,801 million in 2013, is €682 million higher than in 2012, and the buyback of €300 million of bonds resulted in a redemption premium of €15.3 million. The average cost of financing rose accordingly, reaching 6.13% in 2013 against 5.06% in 2012;
- **-€9 million** due to the reduction in investment products, with outstandings rising by €926 million, but an Eonia rate which lost more than 60% of its value between 2012 and 2013; the average return on investments (excluding cash) was therefore 0.30%, against 0.62% in 2012;

- **+€14 million** due to lower borrowing costs on loans from members of the Grouping and other counterparties of the PSA PEUGEOT CITROEN Group, due to both the reduction of their average outstandings (-€2,984 million), and the abovementioned decline in the Eonia rate;
- **+€93 million** due to the increase in income from financing granted to members of the Grouping and other counterparties of the PSA PEUGEOT CITROEN Group. The net change in income and expenses of the previous items have been passed on to members in accordance with the financing rates chargeback policy in force. Given also the reduction in outstanding loans to Group entities mentioned above, the average rate of financing rose significantly, from 2.81% in 2012 to 5.45% in 2013.

It should be noted that the increase in operating expenses, which amounted to €29.2 million in 2013, against €11.5 million in 2012, is due to the increased costs on bond issuance and redemption rebilled by PSA and which are recorded in this item. The redemption premium of €15.3 million, presented earlier in the change in expenses related to external financing, constitutes the majority of this sum.

Total assets stood at €11.1 million on 31 December 2013 against €9.8 million on 31 December 2012.

You are asked to approve the financial statements for the financial year 2013 as now presented to you.

### **Proposal for allocation of earnings:**

If you approve the financial statements as they have been presented to you, I propose, in accordance with Article 21 of your Grouping's contract, that you allocate the earnings, i.e. a charge which stands at €802,584.87, to each of the members of your Grouping in proportion to the shares held in its capital, namely:

- PEUGEOT SA:	€794,559.02
- AUTOMOBILES PEUGEOT:	€2,675.28
- AUTOMOBILES CITROËN:	€2,675.28
- PEUGEOT CITROËN AUTOMOBILES S.A.:	€2,675.28

### **RENEWAL OF THE TERM OF OFFICE OF THE SOLE DIRECTOR**

The term of office of the sole director of PEUGEOT SA expires this year, and we propose the renewal of this term, for a period of six years expiring at the Ordinary General Meeting called in 2020 to review the accounts for the financial year 2019.

If you approve this renewal of term of office of the sole director of PEUGEOT SA, you will be asked to take note of the designation, which took place in 2007, by PEUGEOT SA, of Mr Jean- Charles GAURY as permanent representative.

### **APPOINTMENT OF MANAGEMENT CONTROLLER**

The term of office of the management controller, Ms Myriam HONFFO expired in 2013 without the annual general meeting, held on 30 January 2013, ruling on the renewal of her term. In order to regularize the situation, it is proposed to formally appoint Ms Myriam HONFFO as management controller, for a period of six years expiring at the Ordinary General Meeting called in 2020 to review the accounts for the financial year 2019

## **RENEWAL OF THE TERM OF OFFICE OF THE STATUTORY AUDITOR**

The term of office of the firm ERNST & YOUNG et AUTRES, Statutory Auditors, expires this year, and we propose the renewal of their term, for a period of six years expiring at the Ordinary General Meeting called in 2020 to review the accounts for the financial year 2019.

The Permanent Representative  
of the Sole Director

**JC. GAURY**

*This is a free translation into English of the statutory auditors' report on the financial statements issued in French and it is provided solely for the convenience of English-speaking users.*

*The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures.*

*This report also includes information relating to the specific verification of information given in the management report and in the documents addressed to the shareholders.*

*This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.*

## **G.I.E. PSA Trésorerie**

Year ended December 31, 2013

### **Statutory auditors' report on the financial statements**

ERNST & YOUNG et Autres

## **G.I.E. PSA Trésorerie**

Year ended December 31, 2013

### **Statutory auditors' report on the financial statements**

To the Members,

In compliance with the assignment entrusted to us by your annual general meeting, we hereby report to you, for the year ended December 31, 2013, on:

- the audit of the accompanying financial statements of G.I.E. PSA Trésorerie;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the director. Our role is to express an opinion on these financial statements based on our audit.

#### **I. Opinion on the financial statements**

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the company as at December 31, 2013 and of the results of its operations for the year then ended in accordance with French accounting principles.

## **II. Justification of our assessments**

In accordance with the requirements of article L. 823-9 of the French commercial code (*Code de commerce*) relating to the justification of our assessments, we inform you that our assessments were made in relation to the application of the appropriate accounting principles, to the reasonable nature of the significant estimates used and to the overall presentation of the financial statements.

These assessments were made as part of our audit of the financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

## **III. Specific verifications and information**

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the director and in the documents addressed to the members with respect to the financial position and the financial statements.

Paris-La Défense, January 31, 2014

The statutory auditors  
ERNST & YOUNG et Autres  
*French original signed by*

Marc Stoessel

# *GIE PSA TRESORERIE*



SEPARATE FINANCIAL STATEMENTS



*YEAR 2013*

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# GIE PSA TRESORERIE

BALANCE SHEET AT 31 DECEMBER 2013

(in thousands of euros)

ASSETS		2013			2012	LIABILITIES		2013	2012
		Amounts gross	Amortization and Provisions	Amounts net	NET AMOUNTS				
<i>UNCALLED SUBSCRIBED CAPITAL</i>		1				<i>CAPITAL:</i>			
NON-CURRENT ASSETS	<i>INTANGIBLE ASSETS:</i>					<i>EQUITY</i>			
	Institutional charges.....	2				Capital.....	1	15	15
	Research & Development Expenses.....	3				Issue, merger, contribution premiums.....	2		
	Concessions, patents & similar rights.....	4				Revaluation reserves.....	3		
	Goodwill.....	5				<i>RESERVES:</i>			
	Other ongoing intangible assets.....	6				Legal reserve.....	4		
	Advances and deposits on intangible assets.....	7				Statutory or contractual reserves.....	5		
	<b>Subtotal Lines 2-7</b>	8				Regulated reserves.....	6		
	<i>PROPERTY, PLANT AND EQUIPMENT:</i>					Other reserves.....	7		
	Land.....	9				Retained earnings.....	8		
	Construction.....	10				Earnings for the year.....	9	(803)	(370)
	Plant, machinery & industrial equipment.....	11				Investment grants.....	10		
	Other property, plant and equipment.....	12				Regulated provisions.....	11		
	Current property, plant and equipment.....	13				<b>Total Lines 1-11</b>	12	<b>(788)</b>	<b>(355)</b>
	Advances and deposits on property, plant and equipment.....	14							
<b>Subtotal lines 9-14</b>	15				Income from issue of participating securities.....	13			
<i>NON-CURRENT FINANCIAL ASSETS:</i>					Conditional advances.....	14			
Investments.....	16				Subordinated securities.....	15			
Advances to subsidiaries and affiliates.....	17				<b>Total Lines 13-15</b>	16			
Other long-term investments.....	18								
Loans.....	19				Provisions for risk.....	17			
Other non-current financial assets.....	20				Provisions for expenses.....	18			
<b>Subtotal Lines 16-20</b>	21				<b>Total Lines 17 &amp; 18</b>	19			
<b>Total non-current assets.....</b>	22								
CURRENT ASSETS	<i>INVENTORIES:</i>					<i>Long- and short-term debt:</i>			
	Raw materials, and other supplies.....	23				Convertible bonds.....	20		
	Work in progress.....	24				Other bonds (Notes 6A & 7).....	21	610 258	610 258
	Intermediate & finished products.....	25				Borrowings and debts with credit institutions (Notes 6B and 7).....	22	1	42 806
	Goods.....	26				Borrowings and other financial liabilities (Notes 6C and 7).....	23	10 230 420	8 824 300
	<b>Subtotal Lines 23-26</b>	27				<b>Subtotal Lines 20-23</b>	24	<b>10 840 679</b>	<b>9 477 364</b>
	<i>RECEIVABLES:</i>					<i>OPERATING LIABILITIES:</i>			
	Advances and deposits paid on orders.....	28				Advances and deposits received on orders.....	25		
	Trade receivables.....	29				Trade payables (Note 7).....	26	17	9
	Other receivables (Notes 7 and 8).....	30	43		43	Taxes and payroll costs (Note 7).....	27	602	490
	Subscribed capital - called, unpaid.....	31				<b>Subtotal Lines 25-27</b>	28	<b>619</b>	<b>499</b>
	Short-term investments (Notes 5 and 7).....	32	11 084 011	9	11 084 002	9 752 665			
	Cash.....	33	8 654		8 654	94			
	<b>Subtotal Lines 28-33</b>	34	<b>11 092 708</b>	<b>9</b>	<b>11 092 699</b>	<b>9 752 802</b>			
	<b>Total current assets.....</b>	35	<b>11 092 708</b>	<b>9</b>	<b>11 092 699</b>	<b>9 752 802</b>	<b>Total liabilities.....</b>	32	<b>10 842 020</b>
Prepaid expenses (Notes 5,6 and 7).....	36	31 669		31 669	23 225	Deferred income (Note 7).....	33	283 814	299 149
<b>Total Lines 35 &amp; 36</b>	37	<b>11 124 377</b>	<b>9</b>	<b>11 124 368</b>	<b>9 776 027</b>	<b>Total Lines 32 &amp; 33</b>	34	<b>11 125 834</b>	<b>9 777 095</b>
Expenses to be amortized over several years.....	38								
Bond redemption premiums (Note 6).....	39	678		678	713				
Translation adjustments - Assets.....	40					Conversion adjustments - Liabilities.....	35		
<b>TOTAL ASSETS:</b>	41	<b>11 125 055</b>	<b>9</b>	<b>11 125 046</b>	<b>9 776 740</b>	<b>TOTAL LIABILITIES:</b>	36	<b>11 125 046</b>	<b>9 776 740</b>

(in thousands of euros)

		2013	2012	
OPERATING RESULTS	Sales of goods.....	1		
	Production sold - assets.....	2		
	Production sold - services.....	3		
	TURNOVER: Lines 1-3.....	4	-	
	Inventory.....	5		
	Capitalised production.....	6		
	Operating subsidies received.....	7		
	Writebacks on amort. & provisions, expense transfers.....	8		
	Other products.....	9		
	<b>REVENUE FROM OPERATIONS (Lines 4-9)</b>	10	-	-
OPERATING RESULTS	Purchases of goods.....	11		
	Change in inventories of goods.....	12		
	Purchases of raw materials & other supplies.....	13		
	Change in inventories of raw materials & other supplies.....	14		
	Other purchases & external charges (Note 9).....	15	28 637	10 803
	Taxes and other levies.....	16	602	666
	Wages & salaries.....	17		
	Social charges.....	18		
	<i>Operating provisions:</i>			
	- For amortization of fixed assets.....	19		
	- For amortization of deferred expenses.....	20		
	- For provisions for fixed assets.....	21		
	- For provisions for current assets.....	22	-	-
	- For provisions for risks and expenses.....	23		
Other expenses.....	24			
<b>OPERATING EXPENSES (Lines 11-24)</b>	25	29 239	11 469	
<b>OPERATING INCOME (Lines 10-25)</b>	26	(29 239)	(11 469)	
SHARE OF INCOME FROM JOINT OPERATIONS.....	27			
NET FINANCIAL INCOME (EXPENSE)	Financial income from equity investments.....	28		
	Financial income from other securities & receivables from fixed assets.....	29	-	-
	Other interest and related income (Note 10).....	30	382 403	321 870
	Writebacks on provisions & expense transfers (Note 10).....	31	-	42
	Foreign exchange gains.....	32		
	Net income on disposals of investment securities.....	33		
	<b>FINANCIAL INCOME (Lines 28-33)</b>	34	382 403	321 912
	Financial allocation to amortization and provisions (Note 10).....	35	3	75
	Interest & similar expenses (Note 10).....	36	353 964	310 738
	Foreign exchange losses.....	37		
Net expenses on sale of investment securities.....	38			
<b>FINANCIAL EXPENSES (Lines 35-38)</b>	39	353 967	310 813	
<b>FINANCIAL INCOME (Lines 34-39)</b>	40	28 436	11 099	
<b>EARNINGS BEFORE TAXES:</b>	41	(803)	(370)	
EXTRAORDINARY INCOME (EXPENSE)	Extraordinary income on management operations.....	42		
	Extraordinary income on capital operations.....	43		
	Writebacks on provisions & expense transfers.....	44		
	<b>EXTRAORDINARY INCOME (Lines 42-44)</b>	45	-	-
	Extraordinary expenses on management operations.....	46		
	Extraordinary expenses on capital operations.....	47		
	Extraordinary allocations to amortization & provisions.....	48		
	<b>EXTRAORDINARY EXPENSES (Lines 46-48)</b>	49	-	-
EMPLOYEE SHARE OWNERSHIP.....	50			
INCOME TAXES.....	51			
<b>NET INCOME FOR THE YEAR:</b>	52	(803)	(370)	

**GIE PSA TRESORERIE**

**CASH FLOW STATEMENT - 2013 -**

(in thousands of euros)

	2013	2012
<b>NET INCOME FOR THE FINANCIAL YEAR.....</b>	(803)	(370)
Amortization of fixed assets.....		
Amortization of bond repayment premiums.....	34	35
Net change in provisions (+/-).....	(31)	(2)
Gain (loss) on disposal of fixed assets ( +/-).....		
<b>CASH FLOW.....</b>	<b>(800)</b>	<b>(337)</b>
(Increase-)/(decrease+) Inventories and work in progress .....		
(Increase-)/(decrease+) Trade receivables.....		
(Increase-)/(decrease+) Other receivables .....	(13 268)	77 342
(Increase+)/(decrease-) Trade payables.....	9	(17)
(Increase+)/(decrease-) Other payables .....	42 339	255 915
<b>CHANGE IN WORKING CAPITAL REQUIREMENTS.....</b>	<b>29 080</b>	<b>333 240</b>
<b>OPERATING FINANCIAL FLOWS.....</b>	<b>28 280</b>	<b>332 903</b>
Proceeds from disposal of property, plant and equipment.....		
Proceeds from disposal of investment securities.....		
Investment in property, plant and equipment.....		
Acquisition of investment securities.....		
Other (+/-).....		
<b>FINANCIAL FLOWS LINKED TO INVESTMENTS.....</b>		
Dividends paid (transparent result for members).....	370	2 104
Increase in capital.....		
Acquisition of treasury shares.....		
New loans.....	1 600 000	625 000
Loan repayments.....	(1 099 997)	(138 400)
Redemption of bonds issued by company.....		
(Increase+)/(decrease-) of other long-term debts.....		(444 514)
(Increase-)/(decrease+) of long-term loans and receivables.....		
Other (+/-).....		
<b>FLOW OF FINANCIAL OPERATIONS .....</b>	<b>500 373</b>	<b>44 190</b>
<b>TOTAL FLOW.....</b>	<b>528 653</b>	<b>377 093</b>
<b>CHANGE IN CASH.....</b>	<b>528 653</b>	<b>377 093</b>
Cash at the beginning of year <sup>(1)</sup> .....	5 420 468	5 043 375
<b>CASH AT DECEMBER 31<sup>(1)</sup>.....</b>	<b>5 949 121</b>	<b>5 420 468</b>

(1) Cash at 31 December is as follows:

- Current accounts debit balance	6 299 661	4 800 848
- Current accounts credit balance	(4 433 208)	(3 586 772)
- Investments (excluding debtor current accounts balance)	4 754 026	4 926 359
- Bank debit balance	8 652	16 962 206
- Bank credit balance	(680 011)	(17 682 173)
	5 949 121	5 420 468

<b><i>GIE PSA TRESORERIE</i></b>
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**NOTES**

The following information constitutes the notes to the Balance Sheet before allocation for the year ended 31 December 2013, for which the total amounts to €11,125,046 thousand, and to the income statement for the year, in list form, for which a loss of €803 thousand is recognised.

The fiscal period is twelve months, covering the period 1 January to 31 December 2013.

The Notes and Tables 1 to 12 below, form part of the financial statements.

These financial statements were approved on 31 January 2013 by the sole Director.

The annual accounts are consolidated at PSA Peugeot Citroën Group level.

**NOTE 1: NATURE OF OPERATIONS**

The main purpose of the GIE PSA TRESORERIE is to execute and centralize cash operations for the industrial and commercial companies in the PSA Peugeot Citroën Group.

In this capacity, the GIE PSA TRESORERIE is responsible in particular for the:

- collection of all euro liquidity for companies with a cash surplus;
- provision of, as part of assigned objectives, the necessary resources to companies in need of cash;
- and correspondingly, the investment or acquisition on the markets of the surplus or net requirements of the Group resulting therefrom.

The group also has an intermediary role in the management of interest rate risk of industrial and commercial companies in the PSA Peugeot Citroën Group.

**NOTE 2: COMPOSITION OF CAPITAL**

The capital of the Group consists of 300 shares with a nominal value of €50 each, fully paid up on subscription.

It is distributed among the members as follows:

- Peugeot SA:	297
- Automobiles Peugeot:	1
- Automobiles Citroën:	1
- Peugeot Citroën Automobiles SA:	1
	-----
	300

**NOTE 3: ALLOCATION OF INCOME**

Surpluses and deficits at GIE are allocated to each of the members in proportion to the share they hold in the Group's capital.

The Director may also decide on monthly payment instalments corresponding to the surplus recorded by the Group, cumulative from the beginning of the year.

**NOTE 4: ACCOUNTING RULES AND METHODS**

General accounting conventions have been applied, in accordance with the precautionary principle, and the basic assumptions that are designed to give an accurate image of the company:

- the going concern principle;
- consistency of accounting methods from one year to another;
- segregation of accounting periods,

and in accordance with the general rules for the preparation and presentation of financial statements (PCG1999).

The basic method used for valuing items in the financial statements is the historical cost method.

The main methods used are the following:

**a) Loans and receivables**

Loans and receivables are valued at their nominal value. A provision for depreciation is used when the asset value is less than the carrying value.

**b) Short-term investments**

They include current account loans to subsidiaries and external investments primarily consisting of units in money market funds and other money market securities.

UCITS units are valued at the net asset value on the closing date when this value is less than or equal to the carrying value, or at the guaranteed value for UCITS units with a guaranteed return.

The money market securities are floating-rate securities or swapped with floating-rate; accrued interest at the closing date is recognised in profit or loss.

Money market securities are valued at their likely trading value. In the case of an unrealised loss, this is recognised in the financial statements.

c) **Long- and short-term debt**

This item includes current account receivables from subsidiaries, bonds and borrowings from PSA.

Long- and short-term debt is valued at nominal value and accrued interest at the closing date is recognised in profit or loss.

d) **Foreign currency transactions**

Income and expenses in foreign currencies are recognised at their countervalue on the date of the transaction. Liabilities, receivables and cash and cash equivalents in foreign currencies are recognised in the balance sheet at their countervalue using year-end rates.

Monetary items with forward foreign exchange hedging contracts are recognised using the spot rate on the transaction date. Exchange differences observed on this occasion, between the spot rate on the date of hedging and the hedge rate, are reported in profit or loss pro rata over the term of the hedge.

e) **Interest rate risk management transactions**

Swaps entered into as an intermediary on behalf of Group companies are systematically returned to the market in order to neutralize the interest rate risk to the Group.

In terms of liquidity management, the Group conducts hedging transactions through the use of financial instruments to mitigate risks related to fluctuations in interest rates.

The income generated through intermediation and liquidity hedging transactions is recognised symmetrically with the income recorded on the hedged items.

A residual interest rate risk may occasionally be retained in order to take advantage of market opportunities. This risk, which is the subject of a daily

assessment in terms of value at risk (VAR), has no significant impact in terms of income.

Non-hedged transactions are assessed on each balance sheet date at their market value; in the case of unrealised losses, a provision is recognised.

The nature of the main instruments used and their amount in capital at the end of the year are shown as financial commitments (see note 11).

**NOTE 5:****GIE PSA TRESORERIE**

INVESTMENT STATEMENT - 2013 -

(in thousands of euros)

Item	Gross value	(A)	Receivables	(B)	TOTAL GROSS (A + B)	Impairment (C)	TOTAL NET	Premium/Discount
<b>INVESTMENT SECURITIES</b>								
Negotiable certificate of deposit	50 000		14		50 014	-	50 014	-
Cash warrants	540 561		7		540 568	-	540 568	-
Commercial paper	-		-		-	-	-	-
Unsecured loans	890 351		1 553		891 904	-	891 904	-
FRN/EMTN	1 622		1		1 623	9	1 614	4
UCITS	3 271 492		8		3 271 500	-	3 271 500	-
<b>TOTAL I</b>	<b>4 754 026</b>		<b>1 583</b>		<b>4 755 609</b>	<b>9</b>	<b>4 755 600</b>	<b>4</b>
<b>CASH C/A</b>								
Members	1 738 405		10 275		1 748 680	-	1 748 680	
Associates	4 561 256		18 466		4 579 722	-	4 579 722	
<b>TOTAL II</b>	<b>6 299 661</b>		<b>28 741</b>		<b>6 328 402</b>	<b>-</b>	<b>6 328 402</b>	
<b>TOTAL (I+II)</b>	<b>11 053 687</b>		<b>30 324</b>		<b>11 084 011</b>	<b>9</b>	<b>11 084 002</b>	
<b>ISSUANCE FEES ON LOANS TO BE AMORTIZED (see Note 6)</b>								31 665
<b>PREPAID EXPENSE BALANCE PAID/SWAP ON BONDS</b>								-
<b>PREPAID EXPENSES</b>								<b>31 669</b>

## NOTE 6:

**GIE PSA TRESORERIE**

- Long- and short-term debt - 2013

(in thousands of euros)

Item	Start Date	Due date	Rate	Redemption value (A)	Payables (B)	TOTAL (A + B)	Redemption premium	Issuance costs to be amortized
<b>OTHER BONDS</b>								
- €600 million bond(1)	19/09/2003	19/09/2033	6.000%	600 000	10 258	610 258	- 678	-
<b>TOTAL A</b>				<b>600 000</b>	<b>10 258</b>	<b>610 258</b>	<b>- 678</b>	<b>-</b>
<b>BORROWINGS AND DEBTS WITH BANKS</b>								
				-	1	1	-	-
<b>TOTAL B</b>				<b>-</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>-</b>
<b>MISC FINANCIAL BORROWINGS AND DEBTS</b>								
<b>PSA LOANS</b>								
- OCEANE Loan €574,967,030.30 - 4.45%	01/07/2009	01/01/2016	4.450%	574 967	12 793	587 760	-	2 699
- Bond €667,771,000 - 8.38%	15/07/2009	15/07/2014	8.375%	667 771	26 048	693 819	-	1 144
- Bond €460 million - 5.625%	29/06/2010	29/06/2015	5.625%	460 000	13 186	473 186	-	1 459
- Bond €500 million - 5.000%	28/10/2010	28/10/2016	5.000%	500 000	4 452	504 452	-	2 655
- Bond €150 million - 5%	26/01/2011	28/10/2016	5.000%	150 000	1 336	151 336	-	342
- Bond €397,232,000 - 6.88%	30/09/2011	30/03/2016	6.880%	397 232	20 669	417 900	-	2 070
- Bond €600,000,000 - 5.63%	11/04/2012	11/07/2017	5.630%	600 000	16 089	616 089	-	3 938
- Loans "bond" €1,000,000,000 - 7.375% '	06/03/2013	06/03/2018	7.375%	1 000 000	60 818	1 060 818	-	9 615
- Bond €600,000,000 - 6.5% '	18/09/2013	18/01/2019	6.500%	600 000	11 219	611 219	-	7 743
<b>C/A CASH</b>								
Members				727 869	27	727 897		
Associates				4 385 349	595	4 385 944		
<b>SHORT-TERM LOANS</b>								
Associates				-	-	-		
<b>LIQUIDITY CREDIT</b>								
Associates				-	-	-		
<b>TERM DEPOSITS</b>								
Associates				-	-	-		
<b>TOTAL C</b>				<b>10 063 188</b>	<b>167 232</b>	<b>10 230 420</b>	<b>-</b>	<b>31 665</b>
<b>GENERAL TOTAL</b>				<b>10 663 188</b>	<b>177 491</b>	<b>10 840 679</b>	<b>- 678</b>	<b>31 665</b>
<b>PREMIUMS / DISCOUNTS ON "Cash Investments" (see Note 5)</b>								- 4
<b>PREPAID EXPENSE BALANCE PAID / SWAP ON BONDS</b>								-
<b>PREPAID EXPENSES</b>								- 31 669

(1) Bonds with a unit value of €1,000 were issued at a price of €998.26 and are redeemable at par.

## NOTE 7:

<b>GIE PSA TRESORERIE</b>
TABLE OF MATURITY OF RECEIVABLES AND DEBTS - 2013 -

(in thousands of euros)

STATEMENT OF RECEIVABLES (in thousands of euros)	AMOUNTS NET	LESS THAN ONE YEAR	FROM ONE TO FIVE YEARS	MORE THAN FIVE YEARS
<b>- CURRENT ASSETS -</b>				
Other receivables.....	43	43		
Short-term investments.....	11 084 002	11 084 002		
Cash .....	8 654	8 654		
SUBTOTAL.....	11 092 699	11 092 699		
Prepaid expenses: Discounts on commercial paper.....				
Other prepaid expenses.....	31 669	31 669		
SUBTOTAL.....	31 669	31 669		
<b>TOTAL</b>	<b>11 124 368</b>	<b>11 124 368</b>		

STATEMENT OF DEBTS (in thousands of euros)	AMOUNTS NET	LESS THAN ONE YEAR	FROM ONE TO FIVE YEARS	MORE THAN FIVE YEARS
<b>- Long- and short-term debt -</b>				
Other bonds.....	610 258	10 258		600 000
Borrowings and debts with banks.....	1	1		
Borrowings and other financial liabilities.....				
Commercial paper.....			3 682 199	600 000
Other short-term investments.....	10 230 420	5 948 221		
SUBTOTAL.....	10 840 679	5 958 480	3 682 199	1 200 000
<b>- OPERATING LIABILITIES -</b>				
Trade payables.....	17	17		
Taxes and payroll costs .....	602	602		
SUBTOTAL.....	619	619		
<b>- OTHER LIABILITIES -</b>				
Other liabilities.....	722	722		
SUBTOTAL.....	722	722		
Deferred income(1).....	283 814	283 814		
SUBTOTAL.....	283 814	283 814		
<b>TOTAL</b>	<b>11 125 834</b>	<b>6 243 635</b>	<b>3 682 199</b>	<b>1 200 000</b>

(1) Primarily concerns unamortised amounts:

- a premium on borrowings of €574 thousand;

- a cash adjustment of €299,406 thousand lodged in November 2012 following the termination of the swap covering the bond in the amount of €600,000 thousand, which amounted to €283,240 thousand at 31/12/13, after amortization.

**NOTE 8: OTHER LOANS AND RECEIVABLES** (in thousands of euros)

	<u>31.12.2013</u>	<u>31.12.2012</u>
<b><u>Other receivables:</u></b>		
<b>- Interest receivable</b>		
. On rate swaps.....	0	0
. On currency swaps.....	0	0
<b>- Other receivables</b>	43	43
	-----	-----
	43	43
	=====	=====
	<b><u>31.12.2013</u></b>	<b><u>31.12.2012</u></b>
<b><u>Other liabilities:</u></b>		
<b>- Interest payable</b>		
. On rate swaps.....	0	0
. On currency swaps.....	0	0
<b>- Expenses payable</b>	96	0
<b>- Other payables</b>	626	83
	-----	-----
	722	83
	=====	=====

**NOTE 9: OTHER PURCHASES AND EXTERNAL CHARGES** (in thousands of euros)

	<u>31.12.2013</u>	<u>31.12.2012</u>
<b><u>Other purchases and external charges</u></b>	28,637	10,803
.....Of which termination fees	15,945	0

The change in the item Other purchases and external charges is mainly due to a termination fee paid by Peugeot SA as part of the repayment of bonds issued, and then recharged to GIE PSA Trésorerie during 2013.

**NOTE 10:**

<b>GIE PSA TRESORERIE</b>
<i>DETAILED FINANCIAL INCOME AND EXPENSES - 2013 -</i>

(in thousands of euros)

FINANCIAL INCOME (in thousands of euros)	TOTAL	MEMBERS	ASSOCIATES LIEES	EXCL. GROUP
<b><u>Other interests &amp; related products</u></b>	<b>382 403</b>	<b>175 546</b>	<b>177 582</b>	<b>28 405</b>
Income on ordinary current accounts.....	351 919	175 546	176 373	
Income from other intercompany investments.....	1 209		1 209	
Income from short-term investments.....	28 405			28 405
Other income.....	870	870		
<b><u>Writebacks on provisions &amp; expense transfers</u></b>				
Writebacks on provisions.....				
<b>GENERAL TOTAL</b>	<b>382 403</b>	<b>175 546</b>	<b>177 582</b>	<b>28 405</b>

FINANCIAL EXPENSES (in thousands of euros)	TOTAL	MEMBERS	ASSOCIATES LIEES	EXCL. GROUP
<b><u>Financial allocations to amortization and provisions</u></b>	<b>(3)</b>			<b>(3)</b>
Allocations to amort. Bond redemption premiums.....	(34)			(34)
Provisions.....	31			31
<b><u>Interest &amp; similar charges</u></b>	<b>(353 964)</b>	<b>(313 485)</b>	<b>(4 380)</b>	<b>(36 099)</b>
Interest on ordinary current accounts.....	(3 964)	(977)	(2 987)	
Interest on other intra-group cash loans.....				
Interest on other external funding.....				
Interest on borrowings.....	(349 395)	(312 508)	(793)	(36 094)
Other expenses.....	(605)		(600)	(5)
<b>GENERAL TOTAL</b>	<b>(353 967)</b>	<b>(313 485)</b>	<b>(4 380)</b>	<b>(36 102)</b>

**NOTE 11: FINANCIAL COMMITMENTS** (in thousands of euros)

	<u>31.12.2013</u>	<u>31.12.2012</u>
<b><u>Commitments received</u></b>		
. Deposits received on bonds.....	600,000	600,000
<i>Of which related companies</i>	=====	=====
. Commitments received on financing.....	2,400,000	2,400,000
<i>Of which related companies</i>	=====	=====
	-----	-----
	3,000,000	3,000,000

Peugeot SA and GIE PSA Trésorerie have a confirmed line of credit for an amount of €2,400 million, originally maturing in July 2013, whose maturity was first extended for one year in July 2011 to July 2014. In July 2012, Peugeot SA secured a second one-year extension, extending the maturity to July 2015 for an amount of €2,225 million. This facility was undrawn at 31 December 2013. The drawing of this credit line is conditional according to compliance with a net debt ratio for the Group's industrial and commercial companies to Group equity of less than 1.

	<u>31.12.2013</u>	<u>31.12.2012</u>
<b><u>Commitments given</u></b>		
Commitments given on financing.....	53,515	0
<i>Of which related companies</i>	53,515	0
	-----	-----
	53,515	0

**NOTE 12: GUARANTEES GIVEN**

As part of the renewal of the Peugeot SA bond issue program in 2013, the GIE PSA Trésorerie granted a joint and several guarantee to subscribers to the following bond issues:

- €750,000,000 with interest at 8.375% as of 15 July 2009 and maturing in July 2014;
- €500,000,000 with interest at 5.625% as of 29 June 2010 and maturing in June 2015;
- €500,000,000 with interest at 5.00% as of 28 October 2010 and maturing in October 2016;
- €150,000,000 with interest at 5.00% as of 26 January 2011 and maturing in October 2016;
- €397,232,000 with interest at 6.875% as of 30 September 2011 and maturing in March 2016;
- €600,000,000 with interest at 5.625% as of 11 April 2012 and maturing in July 2017;
- €1,000,000,000 with interest at 7.375% as of 6 March 2013 and maturing in March 2018;
- €600,000,000 with interest at 6.5% as of 18 September 2013 and maturing in January 2019.

On 28 November 2013, the GIE PSA Trésorerie signed a guarantee agreement in favour of the European Investment Bank for an amortisable loan granted on 8 October 2013 to Peugeot Citroën Automobiles for an amount of €300 million and a term five years. This loan was drawn on 16 December 2013.

**NOTE 13: FINANCIAL FUTURES** (*nominal value in thousands of euros*)

	<u>31.12.2013</u>	<u>31.12.2012</u>
<b>- Hedging of currency risk:</b>		
. Currency swaps.....	0	0
. Exchange swaps.....	46,745	0
	-----	-----
	46,745	0
<b>- Interest rate risk management transactions:</b>		
. Interest rate swaps backed by cash transactions .....	0	0
. Interest rate swaps.....	0	0
	-----	-----
	0	0

**NOTE 14:**    **WORKFORCE AND COMPENSATION**

GIE PSA TRESORERIE has no employees. Its sole Director is not paid.

## GIE PSA TRESORERIE

### GROUP EARNINGS FOR PRECEDING FIVE YEARS

(in euros)

	2013	2012	2011	2010	2009
<i>I – FINANCIAL SITUATION AT YEAR END</i>					
a - Capital	15 000	15 000	15 000	15 000	15 000
b - Number of existing ordinary shares	300	300	300	300	300
c - Number of bonds convertible into shares					
<i>II - COMPREHENSIVE OPERATING INCOME FOR THE FINANCIAL YEAR</i>					
a - Turnover excluding VAT					
b - Income before tax, employee profit-sharing, amortisation and provisions	(799 547)	(294 737)	406 576	7 153 359	(23 022 004)
c - Employee profit-sharing					
d - Income Taxes	(*)	(*)	(*)	(*)	(*)
e - Income after tax, employee profit-sharing, amortisation and provisions	(802 585)	(369 565)	(2 104 365)	10 519 740	(17 163 288)
<b>I - Dividends</b>					
<i>III - OPERATING EARNINGS PER SHARE</i>					
a - Earnings after tax, employee profit-sharing, but before amortisation and provisions	(2 665)	(982)	1 355	23 845	(76 740)
b - Earnings after tax, employee profit-sharing, amortisation and provisions	(2 675)	(1 232)	(7 015)	35 066	(57 211)
c - Dividend paid per share	(2 675)	(1 232)	(7 015)	35 066	(57 211)
<b>= Comprehensive income</b>	<b>(2 675)</b>	<b>(1 232)</b>	<b>(7 015)</b>	<b>35 066</b>	<b>(57 211)</b>
<i>IV - WORKFORCE</i>					
a - Average number of employees					
b - Amount of payroll					
c - Amounts paid for employee benefits (social security, other social benefits, etc.)					

(\*) Tax consolidation group