

Paris, 26 October 2016

Volume growth thanks to Middle East Africa, ahead of product offensive

- 2016 Group cumulated revenue up 1.3% at €39.2 billion¹ at constant exchange rate
- Continued improvement of pricing power in Europe
- Start of the product offensive: launch of Peugeot Expert and Citroën Jumpy in June, Peugeot 3008 in October and Citroën C3 in November
- Faster international expansion: partnerships signed in Iran with Iran Khodro for Peugeot and Saipa for Citroën
- Enlarge customer base: online multi-brand used vehicle sales and rollout of mobility services

Group Q3 2016 revenue totalled €11,404 million, compared with €12,016 million in Q3 2015. In the first nine months, Group revenue reached €39,183 million, compared with €40,052 million in 2015, up 1.3% at constant exchange rates.

Automotive division revenue was €7,542 million, compared with €8,052 million in Q3 2015. Negative exchange rate effects (-4.7%) were partially offset by the positive price impact (+1.8%), reflecting the policy of improving the price positioning of the three brands, Peugeot, Citroën and DS.

Consolidated worldwide sales were up 10.6%². Ahead of major product launches in the fourth quarter, which are not yet visible in registrations, sales volumes declined in Europe (-4.3%) and China (-16.5%). In Latin America, they were up 22.6%. In Africa Middle East, volumes increased, driven by sales of vehicles manufactured in Iran under Peugeot licence². As of end-September 2016, **inventories** totalled 400,000 vehicles³ (382,000 in the same period last year).

Jean-Baptiste de Chatillon, Chief Financial Officer of the PSA Group and member of the Managing Board, said: *“The levers of the Back in the Race plan, especially pricing power and cost reduction, make us confident that we will achieve the objectives of the Push to Pass plan, despite a more challenging external environment, particularly in respect of exchange rates.”*

Market outlook

For 2016, the Group expects the automotive market to grow by about 6% in Europe and 15% in China, and to shrink by around 6% in Latin America and 15% in Russia.

Operational targets

The Push to Pass plan, has set the following targets:

- Reach an average 4% automotive recurring operating margin in 2016-2018, and target 6% by 2021;
- Deliver 10% Group revenue growth by 2018⁴ vs 2015, and target additional 15% by 2021⁴.

¹ As of 30 September 2016, growth at constant exchange rates (2015) versus cumulated revenue as of 30 September 2015.

² O/w 105 kunits produced in Iran under Peugeot licence

³ Excluding China, including independent dealers.

⁴ At constant (2015) exchange rates

Financial Calendar – 23 February 2017: 2016 Annual Results

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About PSA Group

With sales and revenue of €54 billion in 2015, the PSA Group designs unique automotive experiences and delivers mobility solutions that provide freedom and enjoyment to customers around the world. The Group leverages the models from its three brands, Peugeot, Citroën and DS, as well as a wide array of mobility services including the Free2Move brand, to meet the evolving needs and expectations of automobile users. PSA is the European leader in terms of CO2 emissions, with average emissions of 104.4 grams of CO2 per kilometre in 2015, and an early innovator in the field of autonomous and connected cars, with 1.8 million such vehicles worldwide. It is also involved in financing activities through Banque PSA Finance and in automotive equipment via Faurecia. Find out more at groupe-psa.com/en.

Appendix Revenue YTD September 2016 versus YTD September 2015

In million euros	9M 2015*	9M 2016	Change
Automotive	27,461	26,732	-729
Faurecia	13,811	13,773	-38
Other businesses and eliminations**	(1,220)	(1,322)	-102
Group revenue	40,052	39,183	-869

Revenue Q3 2016 versus Q3 2015

In million euros	Q3 2015*	Q3 2016	Change
Automotive	8,052	7,542	-510
Faurecia	4,323	4,241	-82
Other businesses and eliminations**	(359)	(379)	-20
Group revenue	12,016	11,404	-612

* restated according to IFRS5 (Faurecia Exteriors division)

** Including remaining activities of PSA Finance

Appendix Worldwide unit sales*

Consolidated World Sales (in thousands)		Q3 2015	2015 YTD Sept.	Q3 2016	2016 YTD Sept.	Δ 16/15 Q3	Δ 16/15 YTD Sept.
China - South East Asia	Peugeot	84,2	291,7	70,1	232,6	-16.8%	-20,2%
	Citroën	60,8	210,6	52,5	177,7	-13.7%	-15,6%
	DS	5,7	16,4	3,3	12,0	-42.0%	-26,8%
	PSA	150,7	518,7	125,9	422,4	-16,5%	-18,6%
Eurasia	Peugeot	2,1	5,0	1,2	3,9	-42.5%	-20.4%
	Citroën	1,7	4,0	1,0	3,4	-41.7%	-15.5%
	DS	0,0	0,1	0,0	0,1	120.0%	48.2%
	PSA	3,9	9,0	2,3	7,4	-41.5%	-17.8%
Europe	Peugeot	214,4	771,6	213,0	814,3	-0.7%	5.5%
	Citroën	154,9	540,6	144,2	557,8	-6.9%	3.2%
	DS	15,2	55,9	11,0	51,9	-27.8%	-7.1%
	PSA	384,6	1 368,1	368,2	1 424,0	-4.3%	4.1%
India - Pacific	Peugeot	2,6	13,0	2,7	10,7	6.5%	-17.7%
	Citroën	1,0	3,0	1,1	2,7	8.6%	-8.9%
	DS	0,3	0,8	0,3	1,1	5.9%	38.0%
	PSA	3,8	16,8	4,1	14,5	7.0%	-13.6%
Latin America	Peugeot	23,6	70,6	30,1	89,5	27.6%	26.7%
	Citroën	12,6	41,3	14,4	43,4	13.7%	5.1%
	DS	0,3	0,9	0,3	0,8	7.0%	-20.4%
	PSA	36,6	112,8	44,8	133,6	22.6%	18.4%
Middle East - Africa **	Peugeot	24,4	86,1	124,2	181,6	408.8%	110.9%
	Citroën	11,5	49,9	11,4	40,5	-0.8%	-18.7%
	DS	0,4	1,2	0,3	1,3	-17.4%	4.6%
	PSA	36,3	137,2	136,0	223,4	274.3%	62.8%
Total Consolidated World Sales	Peugeot	351,4	1 238,0	441,3	1 332,7	25.6%	7.6%
	Citroën	242,6	849,4	224,6	825,5	-7.4%	-2.8%
	DS	21,9	75,3	15,2	67,2	-30.3%	-10.8%
	PSA	615,8	2 162,7	681,1	2 225,3	10.6%	2.9%

* Assembled vehicles, CKD's and vehicles sold under licence

** Including vehicles produced in Iran under Peugeot licence : 105kunits in Q3 2016, 115,5 kunits YTD