

This is a free translation into English of the statutory auditors' report on the consolidated 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 consolidated 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 consolidated 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 group's management report.

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

Peugeot S.A.

Year ended December 31, 2016

Statutory auditors' report on the consolidated financial statements

MAZARS
61, rue Henri-Regnault
92400 Courbevoie
S.A. au capital de € 8.320.000

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

ERNST & YOUNG et Autres
1/2, place des Saisons
92400 Courbevoie - Paris-La Défense 1
S.A.S. à capital variable

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

Peugeot S.A.

Year ended December 31, 2016

Statutory auditors' report on the consolidated financial statements

To the Shareholders,

In compliance with the assignment entrusted to us by your annual general meeting, we hereby report to you, for the year ended December 31, 2016, on:

- the audit of the accompanying consolidated financial statements of Peugeot S.A.;
- the justification of our assessments;
- the specific verification required by law.

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

I. Opinion on the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the group as at December 31, 2016 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

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 bring to your attention the following matters:

- The preparation of the consolidated financial statements requires your group to make estimates and assumptions regarding the valuation of certain assets, liabilities, income and expenses, the most significant of which are outlined in note 1.2 to the consolidated financial statements “Accounting principles – Use of Estimates and Assumptions”. For all of these matters, we examined the appropriateness of the accounting rules and methods used and the information given in this note to the consolidated financial statements. In addition, we examined the consistency of the assumptions used, their translation into figures, and the available documentation, and on that basis we assessed the reasonableness of the estimates made.
- Notes 7.3 "Asset Impairment" and 10.3 “Share in net earnings of companies at equity” to the consolidated financial statements describe the accounting methods and assumptions used for impairment tests. We verified that the impairment tests were carried out correctly, and the reasonableness of the underlying estimates and assumptions, we reviewed the calculations which led to the recognition of the impairment and we verified that these notes to the consolidated financial statements provide relevant information.
- As indicated in note 13 to the consolidated financial statements "Income taxes", deferred tax assets and liabilities are accounted for in the statement of financial position. This note indicates, amongst other things, that the existing tax-loss carry forwards relating to the French tax consolidation which have not been offset by deferred tax liabilities as of December 31, 2016 have not been recognized, on the basis of tax estimates consistent with the impairment testing of the Automotive Division CGU. We examined the group's tax forecasts, deferred tax assets and liabilities timelines and the consistency of overall assumptions used for this depreciation.

These assessments were made as part of our audit of the consolidated 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 verification

As required by law we have also verified, in accordance with professional standards applicable in France, the information presented in the group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Courbevoie and Paris-La Défense, February 23, 2017

The statutory auditors
French original signed by

MAZARS

ERNST & YOUNG et Autres

Jean-Louis Simon

Jérôme de Pastors

Christian Mouillon

Jean-François Belorgey

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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.

Peugeot S.A.

Year ended December 31, 2016

Statutory auditors' report on the financial statements

MAZARS
61, rue Henri-Regnault
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Commissaire aux Comptes
Membre de la compagnie
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Membre de la compagnie
régionale de Versailles

Peugeot S.A.

Year ended December 31, 2016

Statutory auditors' report on the financial statements

To the Shareholders,

In compliance with the assignment entrusted to us by your annual general meeting, we hereby report to you, for the year ended December 31, 2016, on:

- the audit of the accompanying financial statements of Peugeot S.A.;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the managing board. 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, 2016 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 bring to your attention the following matters:

At each balance sheet date, your company determines the value in use of its "Shares in subsidiaries and affiliates" and "Other investments" according to the methods described in notes 1B and 1C to the financial statements, and sets aside a provision for impairment when the carrying amount exceeds the value in use, as specified in notes 5 and 7 to the financial statements. As part of our assessment of the accounting principles applied and of significant estimates made to prepare the financial statements, we verified the appropriateness of the accounting methods described in the notes to the financial statements and correct application thereof, as well as of the reasonableness of the underlying estimates.

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 managing board and in the documents addressed to the shareholders with respect to the financial position and the financial statements.

Concerning the information given in accordance with the requirements of article L. 225-102-1 of the French commercial code (*Code de commerce*) relating to remunerations and benefits received by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from companies controlling your company or controlled by it. Based on this work, we attest the accuracy and fair presentation of this information.

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders or the holders of the voting rights has been properly disclosed in the management report.

Courbevoie and Paris-La Défense, March 10th, 2017

The statutory auditors
French original signed by

MAZARS

ERNST & YOUNG et Autres

Jean-Louis Simon

Jérôme de Pastors

Christian Mouillon

Jean-François Belorgey

Peugeot S.A.

Extraordinary Annual General Meeting held on May 10, 2017

Twenty-three, twenty-fourth, twenty-fifth, twenty-sixth, twenty-seventh and, twenty-eighth, resolutions

**Statutory auditors' report on the issue of shares and various securities
with or without cancellation of preferential subscription rights**

MAZARS
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61, rue Henri Regnault
92400 Courbevoie
S.A. au capital de € 8.320.000

Commissaire aux Comptes
Membre de la compagnie
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S.A.S. à capital variable

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

Peugeot S.A.

Extraordinary shareholders' meeting of May 10, 2017

Twenty-three, twenty-fourth, twenty-fifth, twenty-sixth, twenty-seventh and, twenty-eighth, resolutions

Statutory auditors' report on the issue of shares and various securities with or without cancellation of preferential subscription rights

To the Shareholders,

In our capacity as statutory auditors of your Company and in compliance with Articles L. 228-92 and L. 225-135 and seq. of the French Commercial Code (*Code de commerce*), we hereby present our report on the proposed issue of shares and various securities, with cancellation of preferential subscription rights, an operation upon which you are called to vote.

Your Executive Board proposes, on the basis of its report:

- that it be authorized, for a period of twenty-six months, to decide on whether to proceed with the following operations and to fix the final terms of these issues and proposes, if necessary, to cancel your preferential subscription rights:
 - the issue, with maintenance of preferential subscription rights (twenty-third resolution), (i) of ordinary shares of the Company and/or (ii) of securities that are equity securities of the Company giving access by any means, immediately and/or in the future, to other equity securities, existing or to be issued, of the Company or of any company of which the Company directly or indirectly owns more than half of the share capital (a "Subsidiary"), or to existing equity securities of any company including the Company which does not directly or indirectly own more than half of the share capital, and/or entitles the holder to the allotment of debt securities of the Company, any Subsidiary or any company referred to above, and/or (iii) of all hybrid or non-hybrid securities, giving access by any means, immediately and/or in the future, to equity securities to be issued by the Company and/or any Subsidiary, such securities may also give access to existing equity securities and/or give rise to the allocation of debt securities;

- the issue, with cancellation of preferential subscription rights, through an offering to the public, (twenty-fourth resolution), (i) of ordinary shares and/or (ii) of securities which are equity securities of the Company giving access by any means, immediately and/or in the future, to other equity securities, existing or to be issued, of the Company or of any company of which the Company directly or indirectly owns more than half of the share capital (a "Subsidiary"), or to existing equity securities of any company of which the Company does not directly or indirectly own more than half of the share capital, and/or entitles the holder to the allotment of debt securities of the Company, any Subsidiary or any Company referred to above, and/or (iii) of all securities, whether or not composed, giving access by any means, immediately and/or in the future, to equity securities to be issued by the Company and/or any Subsidiary, for which securities may also give access to existing equity securities and/or give rise to the allocation of debt securities;
- the issue, with cancellation of preferential subscription rights, through offers in accordance with II of Article L. 411-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and within the limit of 20% of the share capital per year (twenty-fifth resolution), (i) of ordinary shares of the Company and/or (ii) of securities which are equity securities of the Company giving access by any other means, immediately and/or in the future, to other equity securities, existing or to be issued, of the Company or any company directly or indirectly owned by the Company more than half of the share capital (a "Subsidiary") Or to existing equity securities of any Company of which the Company does not directly or indirectly own more than half of the share capital, and/or entitles the holder to the allotment of debt securities of the Company, any Subsidiary or any other company referred to above, and/or (iii) all securities, whether or not composed, giving access by any means, immediately and/or in the future, to equity securities to be issued by the Company and/or any Subsidiary, for which securities may also give access to some existing equity securities or give rise to the allocation of debt securities;
- the issue, in the event of a public exchange offer initiated by your Company (twenty-seventh resolution) (i) of ordinary shares of the Company and/or (ii) of securities which are equity securities of the Company giving access by any other means, immediately and/or in the future, to other equity securities, existing or to be issued, of the Company and/or entitled to the allotment Debt securities of the Company, and/or (iii) of all hybrid or non-hybrid securities, giving access by any means, immediately and/or in the future, to equity securities to be issued by the Company, for which securities may also give access to existing equity securities or give rise to the allocation of debt securities;
- that it be authorized, for a period of twenty-six months, to decide on whether to proceed with the issue (i) of ordinary shares of the Company and/or (ii) of securities which are equity securities of the Company giving access by any other means, immediately and/or in the future, to other equity securities, existing or to be issued, of the Company and or entitled to the allotment of debt securities of the Company, and/or (iii) of all hybrid or non-hybrid securities, giving access by any means, immediately and or in the future, to equity securities to be issued by the Company, such securities may also give access to existing equity securities or for the purpose of remunerating contributions in kind granted to the Company and consisting of equity securities or securities giving access to the capital of other companies (twenty-eighth resolution), within the Limit of 10% of the capital;

The overall nominal amount of capital increases that can be carried out immediately or in the future may not, according to the twenty-ninth resolution, exceed three hundred and fifty million six hundred and seventy-five thousand seven hundred ninety six euros (€ 350,675,796) pursuant to the twenty-third, twenty-fourth, twenty-fifth, twenty-seventh, twenty-eighth, thirtieth and thirty-first resolutions;

- the nominal amount of the capital increases likely to be carried out immediately or in the future may not exceed two hundred and fifteen million nine hundred thirty-six thousand four hundred and thirty-nine (€ 215,936,439) euros pursuant to the twenty-third resolution;

- the aggregate nominal amount of capital increases that may be carried out immediately or in the future may not, in accordance with the twenty-fourth resolution, exceed eighty-six million three hundred seventy-four thousand five hundred seventy-five (€ 86,374,575) pursuant to the twenty-fourth, twenty-fifth, twenty-seventh, and twenty-eighth resolutions.

The overall nominal amount of debt instruments likely to be issued may not, according to the twenty-third resolution, exceed two billion three hundred and five million eight hundred thousand euros (€ 2,305,800,000) pursuant to the twenty-third, twenty-fourth, twenty-fifth, twenty-seventh and twenty- eight resolutions.

These ceilings take into consideration the additional number of securities to be created within the framework of the implementation of delegations referred to in the twenty-third, twenty-fourth and twenty-fifth resolutions, in accordance with Article L.225-135-1 of the French Commercial Code (*Code de commerce*), if you adopt the twenty-sixth resolution.

It is the responsibility of the Executive Board to prepare a report in accordance with Articles R. 225-113 *et seq.* of the French Commercial Code (*Code de commerce*). Our role is to report on the fairness of the financial information taken from the accounts, on the proposed cancellation of preferential subscription rights and on other information relating to the issue provided in the report.

We have performed those procedures which we considered necessary to comply with professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted in verifying the information provided in the Executive Board's report relating to those operations and the methods used to determine the issue price of the equity securities to be issued.

Subject to a subsequent examination of the conditions for the shares issued that would be decided, we have no matters to report as to the methods used to determine the issue price of the equity securities to be issued provided in the Executive Board's report under the twenty-fourth and twenty-fifth resolutions.

Moreover, as the methods used to determine the issue price of the equity securities to be issued in accordance with the twenty-third, twenty-seventh and twenty-eighth resolutions are not specified in that report, we cannot report on the choice of constituent elements used to determine the issue price.

As the final conditions in which the issues would be performed have not yet been determined, we cannot report on these conditions and, consequently, on the proposed cancellation of preferential subscription rights in the twenty-fourth and twenty-fifth resolutions.

In accordance with the Article R. 225-116 of the French Commercial Code (*Code de commerce*), we will issue a supplementary report, if necessary, when your Executive Board has exercised these authorizations in the event of the issue of securities which are equity shares giving access to other equity shares or giving the right to the allocation of debt securities, in the event of the issue of securities giving access to equity shares to be issued and in the event of a share issue with cancellation of preferential subscription rights.

Courbevoie and Paris-La Défense , March 21, 2017

The Statutory Auditors

MAZARS

ERNST & YOUNG et Autres

Jean-Louis Simon

Jérôme de Pastors Christian Mouillon

Jean-François Belorgey

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Peugeot S.A.

Extraordinary shareholders' meeting of May 10, 2017

Twenty-second resolution

Statutory auditors' report on the reduction in capital

MAZARS
Tour Exaltis
61, rue Henri-Regnault
92400 Courbevoie
S.A. au capital de € 8.320.000

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

ERNST & YOUNG et Autres
1/2, place des Saisons
92400 Courbevoie - Paris-La Défense 1
S.A.S. à capital variable

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

Peugeot S.A.

Extraordinary shareholders' meeting of May 10, 2017
Twenty-second resolution

Statutory auditors' report on the reduction in capital

To the Shareholders,

In our capacity as statutory auditors of your company and in compliance with article L. 225-209 of the French commercial code (*Code de commerce*) in respect of the reduction in capital by the cancellation of repurchased shares, we hereby report on our assessment of the terms and conditions for the proposed reduction in capital.

Your Managing Board requests that it be authorized, for a period of twenty-six months starting on the date of the present extraordinary shareholders' meeting, to proceed with the cancellation of shares the Company was authorized to repurchase, representing an amount not exceeding 10 % of its total share capital, by periods of twenty-four months in compliance with the article mentioned above.

We have performed those procedures which we considered necessary in accordance with professional guidance issued by the national auditing body (*Compagnie Nationale des Commissaires aux Comptes*) for this type of engagement. These procedures consisted in verifying that the terms and conditions for the proposed reduction in capital, which should not compromise equality among the shareholders, are fair.

We have no matters to report on the terms and conditions of the proposed reduction in capital.

Courbevoie and Paris-La Défense, March 21, 2017

The statutory auditors
French original signed by

MAZARS

ERNST & YOUNG et Autres

Jean-Louis Simon

Jérôme de Pastors

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Peugeot S.A.

Extraordinary shareholders' meeting of May 10, 2017

Thirtieth resolution

Statutory auditors' report on the increase in capital reserved for employees who are members of a company savings scheme

MAZARS
Tour Exaltis
61, rue Henri-Regnault
92400 Courbevoie
S.A. au capital de € 8.320.000

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

ERNST & YOUNG et Autres
1/2, place des Saisons
92400 Courbevoie - Paris-La Défense 1
S.A.S. à capital variable

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

Peugeot S.A.

Extraordinary shareholders' meeting of May 10, 2017
Thirtieth resolution

Statutory auditors' report on the increase in capital reserved for employees who are members of a company savings scheme

To the Shareholders,

In our capacity as statutory auditors of your company and in compliance with articles L. 225-135 and seq. of the French commercial code (*Code de commerce*), we hereby report on the proposal to authorize your Managing Board to decide whether to proceed with an increase in capital by an issue of ordinary shares with cancellation of preferential subscription rights reserved for employees and eligible in accordance with legal stipulations who are members of a company savings scheme or a group savings scheme of Peugeot S.A. or French or foreign entity in the meaning of articles L. 225-180 of the French commercial code (*Code de commerce*) et L. 3344-1 of the French labour code (*Code du travail*), an operation upon which you are called to vote.

The maximum amount of the capital increase that may result from this issue amounts to € 8,637,457, it being specified that this amount will be deducted from the ceiling provided for in the eighteenth resolution of this meeting.

This increase in capital is submitted for your approval in accordance with articles L. 225-129-6 of the French commercial code (*Code de commerce*) and L. 3332-18 et seq. of the French labour code (*Code du travail*).

Your Managing Board proposes that, on the basis of its report, it be authorized for a period of twenty-six months, to decide on whether to proceed with an increase in capital and proposes to cancel your preferential subscription rights. If applicable, it shall determine the final conditions of this operation.

It is the responsibility of the Managing Board to prepare a report in accordance with articles R. 225-113 and R. 225-114 of the French commercial code (*Code de commerce*). Our role is to report on the fairness of the financial information taken from the accounts, on the proposed cancellation of preferential subscription rights and on other information relating to the share issue provided in the report.

We have performed those procedures which we considered necessary to comply with professional guidance issued by the French national auditing body (*Compagnie Nationale des Commissaires aux Comptes*) for this type of engagement. These procedures consisted in verifying the information provided in the Managing Board's report relating to this operation and the methods used to determine the issue price of the shares.

Subject to a subsequent examination of the conditions for the increase in capital that would be decided, we have no matters to report as to the methods used to determine the issue price for the ordinary shares to be issued provided in the Managing Board's report.

As the final conditions for the increase in capital have not yet been determined, we cannot report on these conditions and, consequently, on the proposed cancellation of preferential subscription rights.

In accordance with article R. 225-116 of the French commercial code (*Code de commerce*), we will issue a supplementary report, if necessary, when your Managing Board has exercised this authorization.

Courbevoie and Paris-La Défense, March 21, 2017

The statutory auditors
French original signed by

MAZARS

ERNST & YOUNG et Autres

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Peugeot S.A.

Extraordinary shareholders' meeting of May 10, 2017

Thirty-first resolution

Statutory auditors' report on the issue of share warrants with cancellation of preferential subscription rights to the benefit of General Motors companies

MAZARS
Tour Exaltis
61, rue Henri-Regnault
92400 Courbevoie
S.A. au capital de € 8.320.000
Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

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. ERNST & YOUNG does not provide
assurance on individual account balances, it is split under Siskos.
This report also includes information on the specific risks of the company.
information given in the management report. A separate report 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.
Membering standards applicable in France.
régionale de Versailles

Peugeot S.A.

Extraordinary shareholders' meeting of May 31, 2011
Thirty-first resolution

Peugeot S.A.

Year ended December 31, 2012

Year ended December 31, 2012

Statutory auditors' report on the issue of share warrants with cancellation of preferential subscription rights to the benefit of General Motors companies
on the financial statement on the free allocation of existing or to issue shares

To the Shareholders,

In our capacity as statutory auditors of your company and in compliance with articles L. 228-92 of the French commercial code (*Code de commerce*), we hereby report on the proposal to authorize your Managing Board to decide the issue of share warrants with cancellation of preferential subscription right to the benefit of all companies in which General Motors Company holds, directly or indirectly, a majority stake in the capital or voting rights, an operation upon which you are called to vote.

The maximum amount of share warrants that may be issued amounts to 39,727,324 at a price of € 16,3386515 per share warrant. Each share warrant entitles the holder to the allotment of one existing share or to the subscription of one new share, with a nominal value of € 1, according to the terms and conditions provided by Share Warrants Terms and Conditions. Thus, the overall nominal amount of the capital increase that may result from this issue amounts to € 39,727,324.

Your Managing Board proposes that, on the basis of its report, it be authorized for a period of eighteen months, to decide on whether to proceed with an issue of share warrants and proposes to cancel your preferential subscription rights. If applicable, it shall determine the final conditions of this operation.

It is the responsibility of the Managing Board to prepare a report in accordance with articles R. 225-113 et seq. of the French commercial code (*Code de commerce*). Our role is to report on the fairness of the financial information taken from the accounts, on the proposed cancellation of preferential subscription rights and on other information relating to the issue provided in the report.

We have performed those procedures which we considered necessary to comply with professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted in verifying the information provided in the Managing Board's report relating to this operation and the methods used to determine the issue price of the equity securities to be issued.

Subject to a subsequent examination of the conditions of the issue that would be decided, we have no matters to report as to the issue price of the equity securities to be issued provided in the Managing Board's report.

As the final conditions for the issue have not yet been determined, we cannot report on these conditions and, consequently, on the proposed cancellation of preferential subscription rights.

In accordance with article R. 225-116 of the French commercial code (*Code de commerce*), we will issue a supplementary report, if necessary, when your Managing Board has exercised this authorization.

Courbevoie and Paris-La Défense, March 21, 2017

The Statutory Auditors
French original signed by

MAZARS

ERNST & YOUNG et Autres

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Peugeot S.A.

Extraordinary shareholders' meeting of May 10, 2017

Thirty-second resolution

Statutory auditors' report on the issue of bonus share warrants in the event of takeover bids targeting the company's shares

MAZARS
Tour Exaltis
61, rue Henri-Regnaud
92400 Courbevoie
S.A. au capital de € 8.320.000
Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

ERNST & YOUNG et Autres
This report also includes information relating to the specific identification of information given in the management report to the shareholders of Peugeot S.A. The report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

ERNST & YOUNG et Autres
Membre de la compagnie
régionale de Versailles

Peugeot S.A.

Year ended December 31, 2012
Year ended December 31, 2012
Sixteen resolution

Peugeot S.A.

Extraordinary shareholders' meeting of May 10, 2017
Thirty-second resolution

Statutory auditors' report

Statutory auditors' report on the issue of bonus share warrants in the event of takeover bids targeting the company's shares

To the Shareholders,

In our capacity as statutory auditors of your company and in compliance with article L. 228-92 of the French commercial code (*Code de commerce*), we hereby report on the proposed issue of bonus share warrants in the event of takeover bids targeting the company's shares, an operation upon which you are called to vote.

Your Managing Board proposes that, on the basis of its report, it be authorized for a period of eighteen months starting on the date of the present extraordinary shareholders' meeting, under article L. 233-32 II of the French commercial code (*Code de commerce*):

- to resolve to issue share warrants with preferential subscription rights, for one or more shares in the company, and their allocation free of charge to all qualified shareholders before expiration of the takeover bid;
- to set the conditions under which the warrants may be exercised and the features of such warrants.

The maximal nominal amount of the shares thus issued may not exceed the ceiling of € 431,872,878 and the maximum number of share warrants may not exceed the number of shares outstanding at the time the share warrants are issued.

It is the responsibility of the Managing Board to prepare a report in accordance with articles R. 225-113 et seq. of the French commercial code (*Code de commerce*). Our role is to report on the fairness of the financial information taken from the accounts, and on other information relating to the issue provided in the report.

We have performed those procedures which we considered necessary to comply with professional guidance issued by the French national auditing body (*Compagnie Nationale des Commissaires aux Comptes*) for this type of engagement. These procedures consisted in verifying the information provided in the Managing Board's report relating to this operation.

Subject to a subsequent examination of the conditions for the proposed issue, we have no matters to report on the information provided in the Managing Board's report on the proposed issue of bonus share warrants in the event of takeover bids targeting the company's shares.

In accordance with article R. 225-116 of the French commercial code (*Code de commerce*) we will issue a supplementary report, if necessary, when your Managing Board has exercised this authorization.

Courbevoie and Paris-La Défense, March 21, 2017

The statutory auditors
French original signed by

MAZARS

ERNST & YOUNG et Autres

Jean-Louis Simon

Jérôme de Pastors

Christian Mouillon

Jean-François Bélorgey

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PEUGEOT S.A.

Year ended December 31, 2016

**Statutory Auditors' Report
On Related Party Agreements and Commitments**

MAZARS
61, rue Henri-Regnault
92400 Courbevoie
S.A. au capital de € 8.320.000

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

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S.A.S. à capital variable

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

PEUGEOT S.A.

Year ended December 31, 2016

Statutory Auditors' Report on Related Party Agreements and Commitments

To the Shareholders,

In our capacity as Statutory Auditors of your company, we hereby report to you on related party agreements and commitments.

It is our responsibility to report to shareholders, based on the information provided to us, on the principal terms, conditions and benefits for the company of the agreements and commitments that have been disclosed to us or that we may have identified as part of our engagement, without commenting on their relevance or substance or identifying any undisclosed agreements or commitments. Under the provisions of Article R.225-58 of the French Commercial Code ("Code de commerce"), it is the responsibility of shareholders to determine whether the agreements and commitments are appropriate and should be approved.

Where applicable, it is our responsibility to report to the shareholders the information pursuant to Article R.225-58 of the Code de commerce relating to agreements and commitments previously approved by the Shareholders' Meeting during the year.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

1. AGREEMENTS AND COMMITMENTS SUBMITTED FOR THE APPROVAL OF THE SHAREHOLDERS' MEETING

Agreements and commitments authorized during the year

In accordance with Article L.225-88 of the French Commercial Code (*Code de commerce*), we were informed of the following agreement authorized by the Supervisory Board of Peugeot S.A.

Related party agreements taken in favor of a Managing Board's member, Mr. Picat, concerning the continuation of the benefits of the defined contribution pension plan set up on January 1, 2016

First, it is recalled that the commitment of a new pension plan applicable to the Managing Board's members from January 1, 2016 has been authorized by the Supervisory Board of Peugeot S.A. on December 15, 2015 and approved by the Annual Shareholders' Meeting of April 27, 2016.

On July 26, 2016, the Supervisory Board of Peugeot S.A., on the proposal of the Chairman of the Managing Board and having regard to the recommendation of the Appointments, Compensation and Governance Committee, decided to appoint Mr. Picat to the Managing Board beginning on September 1, 2016 and until the end date of the current appointment, on April 2, 2017. Following this decision, the Supervisory Board of Peugeot S.A. has authorized, at the same date, to keep the benefits of the new defined contribution pension plan applicable to the Managing Board and to the Executive Committee since January 1, 2016 to Mr. Picat.

This plan grants a yearly contribution to the pension plan, equal to 25% of the sum of fixed and variable yearly salary. This yearly contribution is composed of 50% of subscription to an independent organization within the frame of an optional pension plan with fixed contributions (article 82 of the French Tax Code ("Code général des impôts")) and withhold until pension withdrawal, and 50% of cash considering pre-taxes. In 2016, this contribution amounts for Mr. Picat to €107.872.

Concerning the previous pension plan the Supervisory Board has terminated, Mr. Picat is granted a contribution of an amount calculated from the rights cumulated until the end of 2015, reduced by a coefficient based on the age, the time spent in the plan and the time spent in the Group. The contribution is composed of 50% of subscription to an independent organization and withhold until pension withdrawal and 50% of cash. The contribution will be spread over 3 years (2016, 2017 and 2018) and is contingent on the presence within the Group at the end of each year.

The first contribution of Mr. Picat for 2016 amounts to €39,000 (subject to taxes, net amount is around 50% of the previous).

Decisions of the Supervisory Board of Peugeot S.A. have been taken considerate the advantages and disadvantages linked to the transition from the pension plan with fixed contributions to the new pension plan. In particular the fact that it is less costly for the Group.

Agreements and commitments authorized after the year-end

We have been informed of the following agreements and commitments authorized after the year-end by your Supervisory Board.

Commitments made to the Managing Board's members, in regards of the renewal of their appointment to the Managing Board on April 2, 2017 and relating to the continuation of the benefits of the defined contribution pension plan

First, it is recalled that the Supervisory Board of Peugeot S.A. has authorized, on December 15, 2015, the commitment relating to the termination of the pension plan with fixed contributions practical to the Managing Board members on December 31, 2015 and the deletion of associated advantages and the commitment of a new pension plan from January 1, 2016. These commitments have been approved by the Annual Shareholders Meeting of April 27, 2016 and were subject of the Statutory Auditors' Special Report signed February 24, 2016.

On February 22, 2017, the Supervisory Board of Peugeot S.A. has authorized, considering the renewal of the appointments of the Managing Board's members, expiring on April 2, 2017, authorized in the same meeting, to keep the benefits of new contributions pension plan for Managing Board's members under the same financial terms as authorized on December 15, 2015 and approved by the Annual General Meeting of April 27, 2016 for Messrs. Tavares, Chasseloup de Chatillon and Quémard and as authorized during the Supervisory Board meeting of July 26, 2017 for Mr. Picat as detailed in the preceding paragraph of this report.

The implementation of the new pension scheme, applicable to the Managing Board's members, grants a yearly contribution to the pension plan, equal to 25% of the sum of fixed and variable yearly salary. This yearly contribution is composed of 50% of subscription to an independent organization within the frame of an optional pension plan with fixed contributions (article 82 of the French Tax Code ("Code général des impôts")) and withhold until pension withdrawal and 50% of cash considering pre-taxes.

In accordance with the February 22, 2017 Supervisory Board's decision, the contribution for 2016 amounts to €829,155 for Mr. Tavares, €329,059 for Mr. Chasseloup de Chatillon and €334,257 for Mr. Quémard. The contribution for Mr. Picat, member of the Managing Board since September 1, 2016, is mentioned in the preceding paragraph of this report.

Concerning the previous pension plan the Supervisory Board has terminated, Mr. Tavares, Mr. Chasseloup de Chatillon, Mr. Olivier (Managing Board member until August 31, 2016) and Mr. Quémard, are granted a contribution of an amount calculated from rights cumulated on the previous pension plan until the end of 2015, reduced by a coefficient based on the age, the time spent in the plan and the time spent in the Group. The contribution is composed of 50% of subscription to an independent organization and withhold until pension withdrawal and 50% of cash. Contributions will be spread over 3 years (2016, 2017 and 2018) and are contingent on the presence within the Group at the end of each year.

The first contribution for 2016 amounts to: €470,000 for Mr. Tavares, €332,000 for Mr. Chasseloup de Chatillon, €486,667 for Mr. Olivier (Managing Board member until August 31, 2016) and €510,000 for Mr. Quémard. The 2016 contribution of Mr. Picat (Managing Board member since September 1, 2016) is mentioned in the preceding paragraph of this report.

Decisions of the Supervisory Board of Peugeot S.A. have been taken considerate the advantages and disadvantages linked to the transition from the pension plan with fixed contributions to the new pension plan. In particular the fact that it is less costly for the Group.

2. AGREEMENTS AND COMMITMENTS ALREADY APPROVED BY THE SHAREHOLDERS' MEETING

Agreements and commitments approved in previous years and continued over the current year

In accordance with Article R.225-57 of the French commercial code (*Code de Commerce*), we were informed that the following agreements and commitments approved by your Shareholders' Meeting in previous years remained in force during the past year.

Agreement between entities with common directors or shareholder with more than 10% of your company's capital

2.1. Agreements concluded in the context of the acquisition of minority interest into the capital of Peugeot S.A. by Dongfeng Motor Group Company Ltd ("DongFeng") and the French State

The Supervisory Board of Peugeot S.A. approved on February 18, 2014 ("Memorandum of Understanding") and on March 18, 2014 ("Master Agreement" as well as other agreements mentioned below) the following agreements:

- A "Memorandum of Understanding" dated February 18, 2014, with DongFeng, the French State, EPF and FFP designed to, firstly, formalize the principles applicable to capital transactions regarding the minority participations operations by DongFeng and the French state, as well as governance rules to set up after these capital transactions and, secondly, frame discussions and work to be done for the implementation of these capital transactions, this implementation being subject to the subsequent signing of a final legal documentation;
- A "Master Agreement" dated March 26, 2014, with DongFeng, the French state, EPF and FFP in accordance with the Memorandum of Understanding, and substituting the latter, designed to detail the terms and conditions of capital transactions and governance rules of these capital transactions.

In application of the Master Agreement arrangements, the following agreements which remained in force during the past year were signed by Peugeot S.A. April 28, 2014:

- "Shareholders Agreement", signed with DongFeng, the French state, EPF and FFP, designed to frame the rules and principles applicable between the parties after the entry of DongFeng and the French state into capital of Peugeot S.A. in terms of governance and acquisition or sale of shares. The rules and principles contained in the Shareholders Agreement are the ones set out in section 22 of the Registration Document filed with the AMF April 2, 2014;
 - Letter Agreement signed with EPF and FFP on the commitment of EPF and FFP to neutralize, for 2 years from the capital increase with preferential right subscription, the impact of their double voting rights for the number of shares held after the capital increase with preferential subscription rights. Under this Letter Agreement, Peugeot S.A. agrees to ensure the practical application of the commitment taken by EPF and FFP, on any Shareholders Meeting to be held within the period of 2 years. The commitment of EPF and FFP to neutralize the impact of their double voting rights came to and end on April 29, 2016.

Shareholders with more than 10% concerned: Etablissements Peugeot Frères and FFP

Directors concerned at the time of approval of the convention: Mrs Marie-Hélène Peugeot Roncoroni, Permanent representative of EPF in the Supervisory Board of Peugeot S.A. et Messrs Thierry Peugeot, Vice-Chairman and Chief Operating Officer of EPF and Chairman of the Supervisory Board of Peugeot S.A., Jean-Philippe Peugeot, Chairman and Chief Executive Officer of EPF, Vice-Chairman and Director of FFP et Vice-Chairman of the Supervisory Board of Peugeot S.A. and Robert Peugeot, Permanent representative of FFP on the Supervisory Board of Peugeot S.A.

2.2 Guarantee granted to issues of debt securities of the company Banque PSA Finance (“BPF”) from the French state

The Supervisory Board of Peugeot S.A. has authorized on December 16, 2014 the conclusion of the support protocol granted by the French state, consisting in guarantee on some issues of debt securities by BPF on December 23, 2014.

This protocol replaces the protocol signed between the same parties on October 28, 2013 to take into consideration the entry of the French state into capital of Peugeot S.A. in May 2014 and the conclusion in 2014 of a framework agreement between BPF and Santander Consumer Finance on a partnership in Europe concerning automobile financing, which allows refinancing BPF without resort to the French State guarantee and, therefore, an early waiver of any future issuance of bonds guaranteed by the State.

This protocol provides:

- A control of the guarantee granted by the State, consisting of a monitoring committee composed of representatives of the PSA Peugeot Citroën Group and the French state and including for Peugeot S.A. and BPF periodic information on the financial position of BPF to the French state;
- The need for Peugeot S.A. to obtain prior approval from the French State, if BPF does not reach solvency and liquidity ratios, to distribute dividends, reserves, premiums or any other assets, to buy back shares or to reduce capital, and to grant to members of the Peugeot S.A. Managing Board variable remunerations, bonuses or severance pay, stock options or stock purchase, free stocks or other securities giving access to the capital.

As the joint ventures between Banque PSA Finance and Santander Consumer Finance started their activities during February 2015 in France and in the United Kingdom, Banque PSA Finance has announced that the French State guarantee will no longer be used for debt securities issuance.

As of 31 December 2016, after payment of the original bond with a maturity date of April 2016, Banque PSA Finance no longer carries debts guaranteed by the French State.

Directors concerned at the time of approval of the convention: Mr Bezard, Representative of French State in the Supervisory Board of Peugeot S.A.

2.3 Cash collateral to secure the payment obligations of Automobile Peugeot S.A. (“AP”), Automobile Citroën S.A. (“AC”) and Peugeot Citroën Automobiles S.A. (“PCA”)

On December 18, 2012, the Supervisory Board of Peugeot S.A. authorized a cash collateral to secure the payment obligations of AP, AC and PCA.

In the context of a sale of receivables program arranged by Crédit Agricole Corporate and Investissement Bank in which PCA, AP and AC participated, Peugeot S.A. provided a cash collateral in favor of Ester Finance Titrisation, dealer of the receivables, in order to secure the payment obligations of PCA, AP and AC in respect of the program documentation.

For that purpose, the « Cash Collateral Agreement » was signed on December 20, 2012 between Peugeot S.A., Crédit Agricole Corporate and Investment Bank and Ester Finance Titrisation. Originally, the cash-collateral agreement amounted to €30,000,000. It amounts to €15,000,000 as of December 31, 2016.

In 2016, the guarantee commission charged by Peugeot S.A. to each of the three entities (AP, AC and PCA) amounts to €7,426.

Common directors at the signing date of the agreement: Mr. Varin, Chairman of the Managing Board of Peugeot S.A. and Chairman of the Board of Directors of PCA, Mr. Faury, Member of the Managing Board of Peugeot S.A. and Director and Chief Operating Officer of PCA, Mr. Chasseloup de Chatillon, Member of the Managing Board of Peugeot S.A. and Permanent Representative of Peugeot S.A. at the Board of Directors of AP and Director of AP and PCA, and Mr. Saint-Geours, Member of the Managing Board of Peugeot S.A. and Chairman of the Board of Directors of AP and AC.

Common directors at the signing date of this report: Mr. Tavares, Chairman of the Managing Board of Peugeot S.A. and Chairman of the Board of Directors of PCA and Mr. Chasseloup de Chatillon, Member of the Managing Board of Peugeot S.A. and Permanent Representative of Peugeot S.A. at the Board of Directors of AP and Director of AP and PCA.

2.4 Share of Group general and administrative expenses

In 2016, a total amount of €109,122,425 was received by Peugeot S.A. in respect of subsidiaries' share of Group general and administrative expenses.

Common directors at the date of this report:

- *For PCA: Mr. Tavares, Chairman of the Managing Board of Peugeot S.A. and Chairman of the Board of Directors of PCA.*
- *For AP and AC: Mr. Chasseloup de Chatillon, Member of the Managing Board of Peugeot S.A. and Permanent Representative of Peugeot S.A. at the Board of Directors of AP and Director of AC).*
- *For Banque PSA Finance "BPF": Mr. Tavares, Chairman of the Managing Board of Peugeot S.A. and Director of BPF and Mr. Chasseloup de Chatillon, Member of the Managing Board of Peugeot S.A. and Permanent Representative of Peugeot S.A. at the Board of Directors of BPF.*

Courbevoie and Paris-La Défense, March 10, 2017

The statutory auditors
French original signed by

MAZARS

ERNST & YOUNG et Autres

Jérôme de Pastors

Jean-Louis Simon

Christian Mouillon

Jean-François Bélorgey

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Peugeot S.A.

Year ended December 31, 2016

Statutory auditors' report prepared in accordance with article L. 225-235 of the French commercial code (*Code de commerce*), on the report prepared by the chairman of the supervisory board of Peugeot S.A.

MAZARS
61, rue Henri-Regnault
92400 Courbevoie
S.A. au capital de € 8.320.000

Commissaire aux Comptes
Membre de la compagnie
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S.A.S. à capital variable

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

Peugeot S.A.

Year ended December 31, 2016

Statutory auditors' report prepared in accordance with article L. 225-235 of the French commercial code (*Code de commerce*), on the report prepared by the chairman of the supervisory board of Peugeot S.A.

To the Shareholders,

In our capacity as statutory auditors of Peugeot S.A., and in accordance with article L. 225-235 of the French commercial code (*Code de commerce*), we hereby report on the report prepared by the chairman of your company in accordance with article L. 225-68 of the French commercial code (*Code de commerce*) for the year ended December 31, 2016.

It is the chairman's responsibility to prepare and submit for the supervisory board's approval a report on the internal control and risk management procedures implemented by the company and to provide the other information required by article L. 225-68 of the French commercial code (*Code de commerce*) relating to matters such as corporate governance.

Our role is to:

- report on any matters as to the information contained in the chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information, and
- confirm that the report also includes the other information required by article L. 225-68 of the French commercial code (*Code de commerce*). It should be noted that our role is not to verify the fairness of this other information.

We conducted our work in accordance with professional standards applicable in France.

Information on the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information

The professional standards require that we perform the necessary procedures to assess the fairness of the information provided in the chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information. These procedures consist mainly in:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the chairman's report is based and of the existing documentation;
- obtaining an understanding of the work involved in the preparation of this information and of the existing documentation;
- determining if any material weaknesses in the internal control procedures relating to the preparation and processing of the accounting and financial information that we would have noted in the course of our work are properly disclosed in the chairman's report.

On the basis of our work, we have no matters to report on the information relating to the company's internal control and risk management procedures relating to the preparation and processing of the accounting and financial information contained in the report prepared by the chairman of the supervisory board in accordance with article L. 225-68 of the French commercial code (*Code de commerce*).

Other information

We confirm that the report prepared by the chairman of the supervisory board also contains the other information required by article L. 225-68 of the French commercial code (*Code de commerce*).

Courbevoie and Paris-La Défense, February 23, 2017

The statutory auditors
French original signed by

MAZARS

ERNST & YOUNG et Autres

Jean-Louis Simon

Jérôme de Pastors

Christian Mouillon

Jean-François Bélorgey