

PSA PEUGEOT CITROËN



IAA Investor & Analyst
Conference
Sept 15, 2009



This presentation may contain forward-looking statements. Such forward-looking statements do not constitute forecasts regarding the Company's results or any other performance indicator, but rather trends or targets, as the case may be. These statements are by their nature subject to risks and uncertainties as described in the Company's registration document available on its Internet website (www.psa-peugeot-citroen.com). These statements do not reflect future performance of the Company, which may materially differ. The Company does not undertake to provide updates of these statements.

More comprehensive information about PSA Peugeot Citroën may be obtained on its Internet website (www.psa-peugeot-citroen.com), under Regulated Information.



YEAR TO DATE ACHIEVEMENTS

HIGHLIGHTS OF THE YEAR TO DATE

- **Strengthened liquidity, extended debt maturity, robust balance sheet**
- **New executive team in place**
- **Successful new model launches**

REMINDER OF FIRST HALF 2009 RESULTS

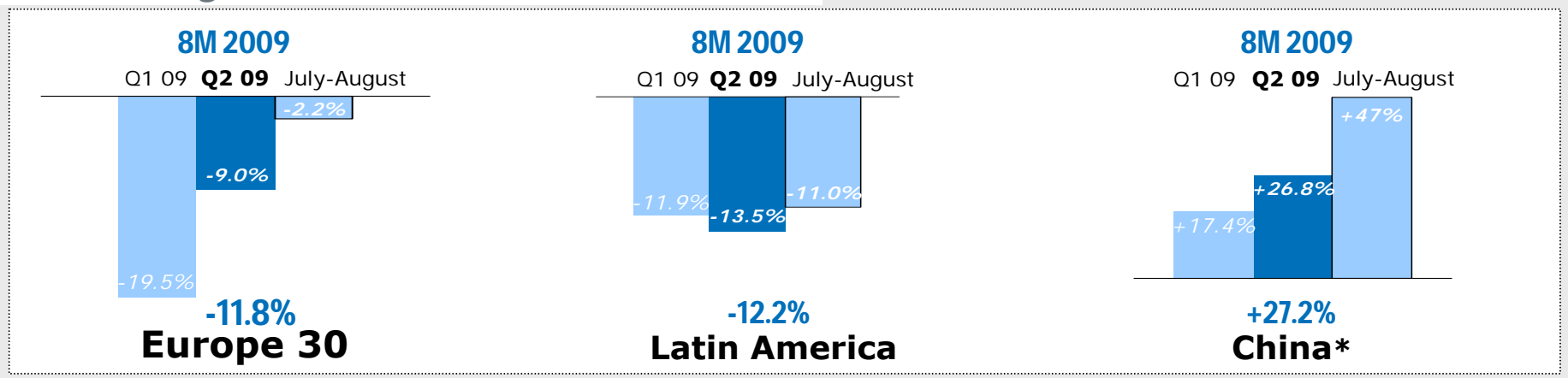
- **Adverse market and industry conditions, partially offset by performance improvement**
 - **Free Cash Flow generation driven by inventory reduction**
-
- **Revenues: €23.5bn (-21.8%)**
 - **Recurring operating result: -€826m**
 - **Non recurring charges: -€506m**
 - **Net loss, Group share: -€962m**
 - **Free Cash Flow: €467m**

MAJOR TRENDS AND MARKET SHARES

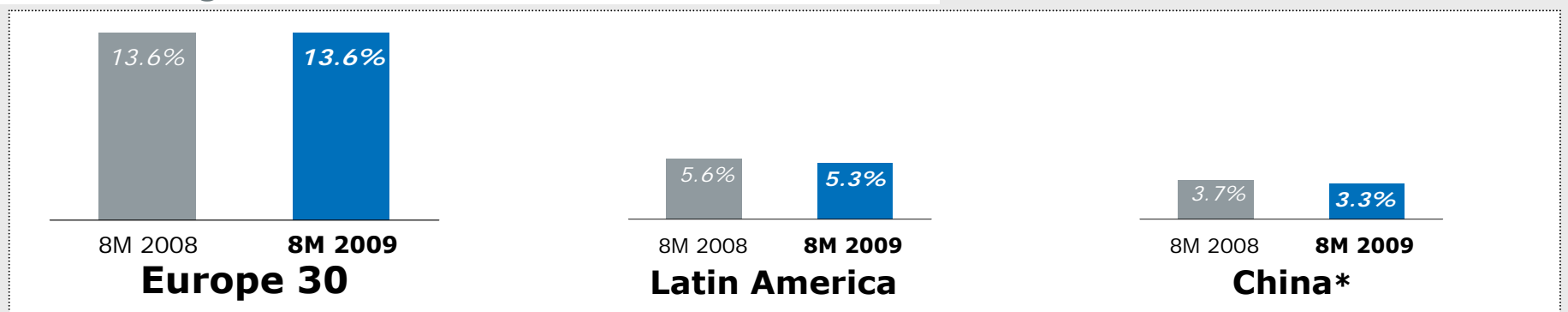
YTD 2009

- European market more resilient than expected
- Robust market share in Europe, boosted by new model successes

Cars and light commercial vehicles – Market



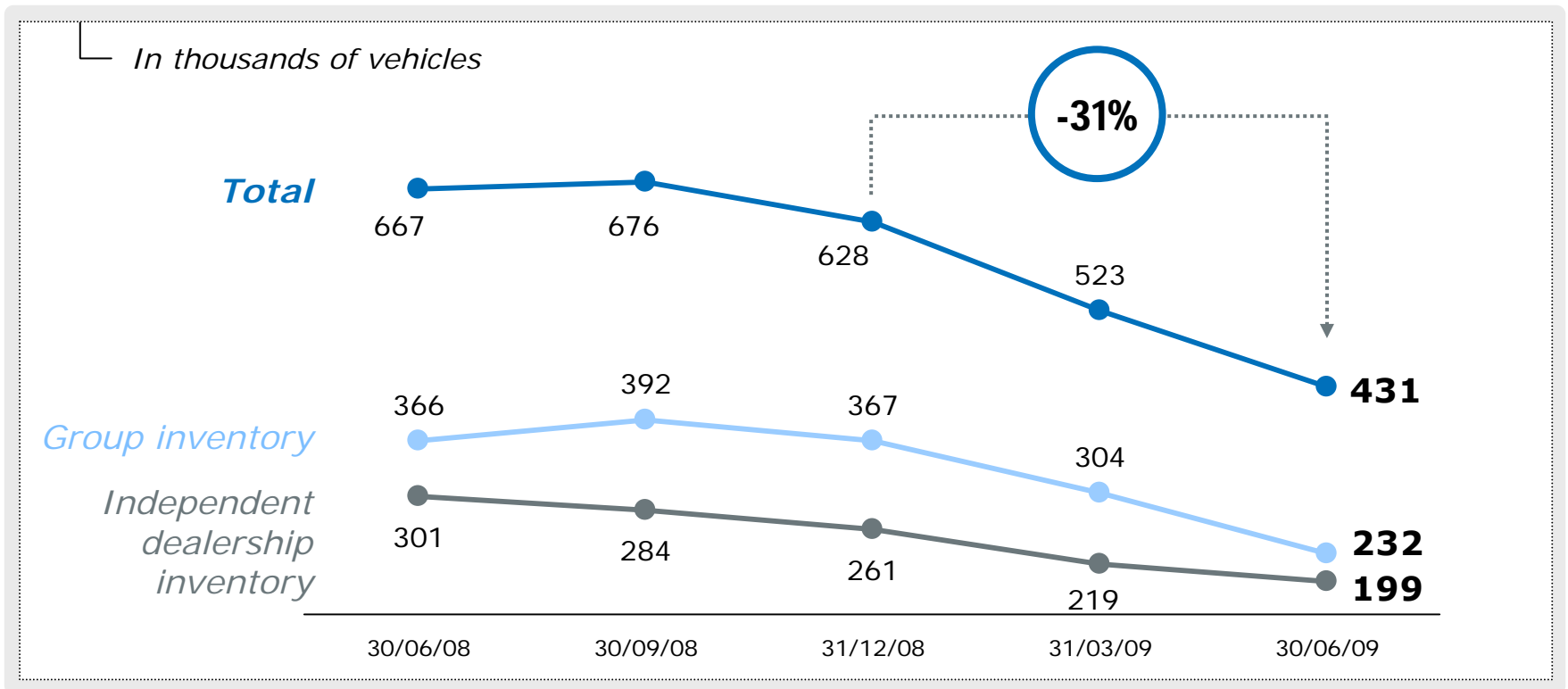
Cars and light commercial vehicles – PSA Market Share



SUCCESSFUL INVENTORY REDUCTION

H1 2009

- Vehicle production cut by 32% vs H1 2008
- Sales volumes to dealer network -20% vs H1 2008

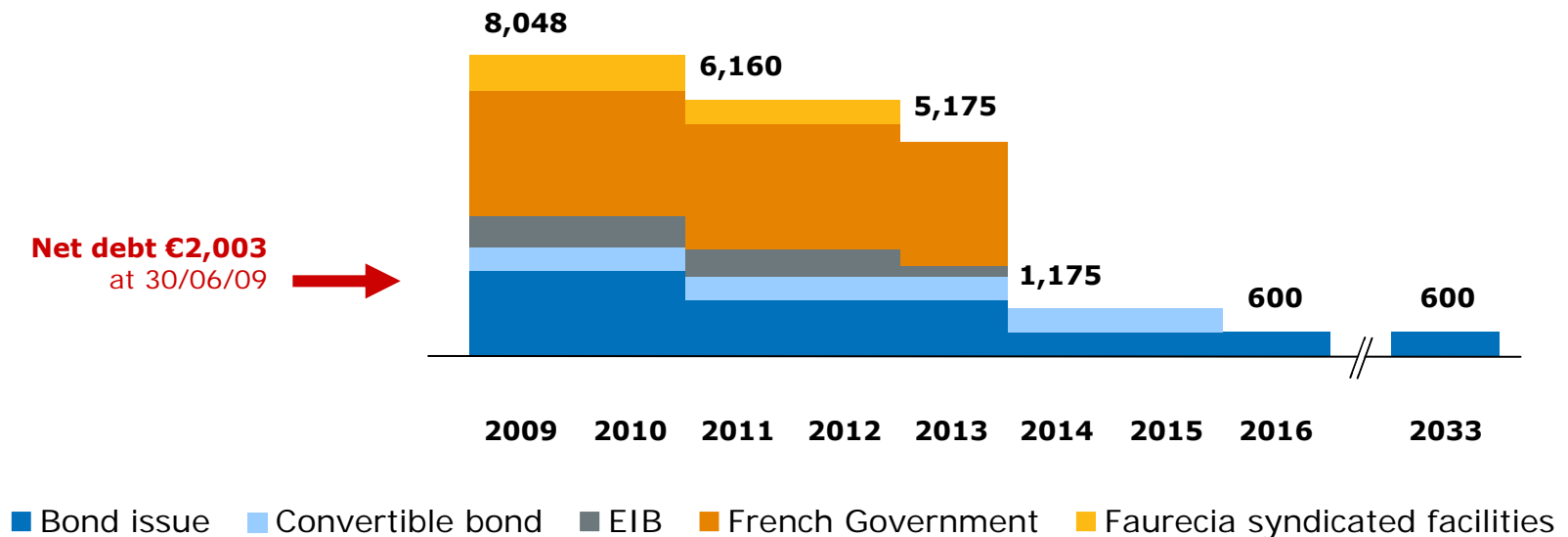


DEBT MATURITY PROFILE*

(Industrial & Commercial activities, as at 30/06/09)

- Strong liquidity position
- No debt repayments in 2009 or 2010
- 2011 bond maturity refinanced

Gross debt in million euros at 30/06/09



*Absolute debt amounts (ie not including accrued interest)

STRONG BALANCE SHEET

- Net debt reduced in H1 2009
- Undemanding gearing ratio

In million euros

	FY 2008	H1 2009
Net debt position	2,906	2,003
Total Equity	13,259	12,600
Gearing ratio	21.9%	15.9%

NEW EXECUTIVE TEAM IN PLACE

Managing Board

- **P. VARIN**, Chairman
- **JM. GALES**, Sales, Marketing & After Sales
- **G. FAURY**, Manufacturing & Engineering
- **G. OLIVIER**, Automotive Programmes & Automotive Strategy
- **F. SAINT-GEOURS**, Finance & Strategic Development

- **JC. HANUS**, Corporate Secretary
- **D. MARTIN**, Human Resources
- **JC. QUEMARD**, Procurement

SUCCESSFUL NEW MODEL LAUNCHES

Europe 30

H1 launches



Latin America

H1 launches



China

H1 launches



H2 2009 & H1 2010 launches



OUTLOOK FOR THE REST OF THE YEAR

Our market assumptions

- **2009 European market: FY -10%**
- **Recovery expected end of 2010**
- **Good momentum in China and Brazil**

Our 2009 expectations

- **Increase in H2 European market share to 14% supported by new model launches**
- **Recurring operating loss of €1 to 2bn**
- **Positive H1 Free Cash Flow should be more than offset in H2**



LOOKING AHEAD

THREE AMBITIONS

- **A step ahead in pioneering vehicles and services**
- **An industry benchmark for operational efficiency**
- **A global player**

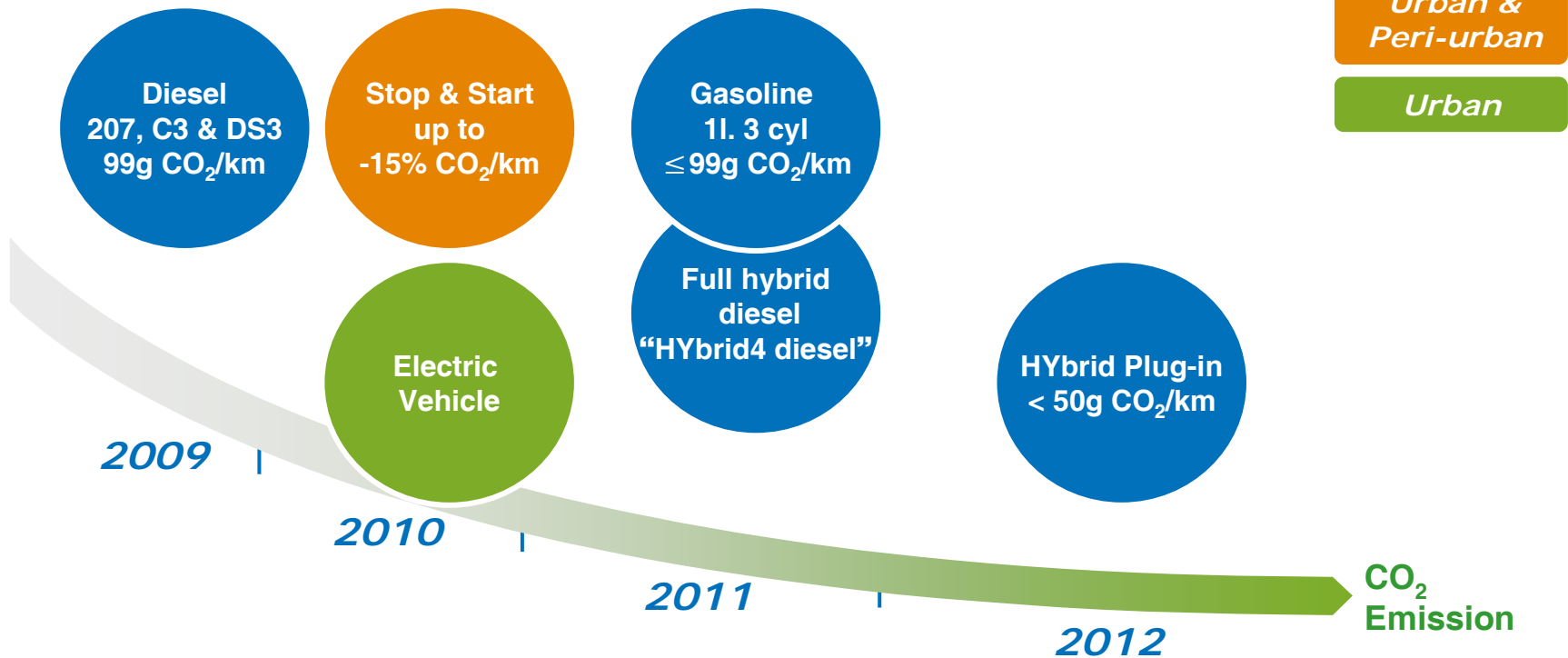
A STEP AHEAD – ENVIRONMENTAL PERFORMANCE

Our current situation

- A leader in low emission vehicles

Our priorities

- A clean car offer for every customer



A CLEAN CAR OFFER FOR EVERY CUSTOMER 2009

Diesel
207, C3 & DS3
99g CO₂/km

Powertrain

10% engine consumption reduction
→ 15g CO₂ benefit



Aerodynamic properties

5dm² benefit on SCx
→ 2.5g CO₂ benefit



Rolling resistance

10% tyre rolling resistance reduction
→ 2g CO₂ benefit



Global weight

100kg weight reduction
→ 4g CO₂ benefit



A CLEAN CAR OFFER FOR EVERY CUSTOMER 2010

Stop & Start
up to -15%
CO₂/km

- **New generation of Stop & Start System**
(Gasoline and Diesel, small and mid-size engines)
- **Optimized regenerative braking**
- **CO₂ emissions reduced by up to 15% in crowded cities**
- **A significant innovation at a reasonable cost**

A CLEAN CAR OFFER FOR EVERY CUSTOMER 2011

Gasoline
1l. 3 cyl $\leq 99\text{g}$
 CO_2/km

New Citroën C3



- Launch in 2011 on A, B & C segment
- Will reduce CO_2 emissions of an urban compact to $\leq 99\text{g CO}_2/\text{km}$
- New plant capacity in France: 600,000 engines per annum

A CLEAN CAR OFFER FOR EVERY CUSTOMER 2010

Electric
Vehicle

End 2010



Peugeot ION

End 2010



Citroën EV

- **Cooperation with MMC**
 - Agreement signed Sept 4, 2009
 - Peugeot and Citroën to launch EV models in Q4 2010
 - 25,000 units per year

2010



Berlingo First Electric

- **Cooperation with Venturi for commercial customers**



Peugeot BB1

- **Alternative mobility solutions with Peugeot BB1 Concept Car**

A CLEAN CAR OFFER FOR EVERY CUSTOMER 2011

Full hybrid
diesel
“HYbrid4
diesel”



3008 HYbrid4



DS5



RCZ HYbrid4



C4 WRC HYbrid4

- Diesel Hybrid enables a break-through in terms of consumption and CO₂ emissions:
 - **Peugeot 3008 HYbrid4: 3.7l/100 (99g CO₂/km)**
- Initial deployment on distinctive vehicles that can absorb the cost of 'state-of-the-art' technology

A CLEAN CAR OFFER FOR EVERY CUSTOMER 2012

HYbrid
Plug-in < 50g
CO₂/km

Concept car



Citroën Revolt

- More affordable and flexible than electric vehicles
- Drive in electric mode every day
- Fully polyvalent for longer journeys
- **Peugeot 3008 HYbrid Plug-in: 2l/100 (< 50g CO₂/km)**

A STEP AHEAD - VEHICLE DESIGN

Our current situation

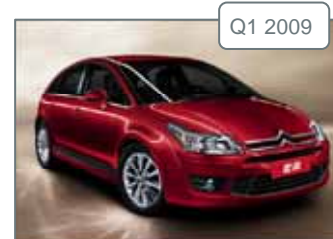
- **New concepts & vehicle design widely appreciated**



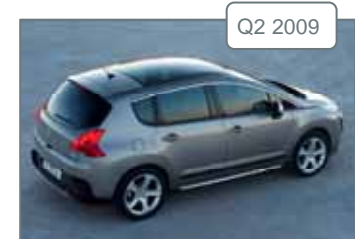
Citroën C5



Citroën C3 Picasso



Citroën C-Quatre China



Peugeot 3008 Crossover

Our priorities

- **Maintain new model momentum**
- **Develop brand value proposition and differentiation**

A STEP AHEAD - DESIGN

NEW PEUGEOT 5008 AND PEUGEOT RCZ

Peugeot 5008



- A new people carrier
- 90% coverage of the 'C' segment with 3008 & 5008 versus 75% previously

Launch in October 2009

Peugeot RCZ



- A new chapter in the history of Peugeot 'lifestyle vehicles'

Launch in Spring 2010

STEP AHEAD - DESIGN

NEW CITROËN C3 AND CITROËN DS3

New Citroën C3



- A new bestseller to succeed 2 million unit model
- Visiodrive

Launch in November 2009

Citroën DS3



- Inaugurate the DS line

Launch in Q4 2009

A STEP AHEAD - SERVICE

Our current situation

- **Leading edge in emergency call and pilots on new mobility services**
- **Strong position of Banque PSA Finance**
- **Below average customer service**

Our priorities

- **Leading edge in mobility and connectivity services**
- **Broaden financial services offer to customers**
- **Top three in customer satisfaction surveys**



A new pre-paid mobility offer

- Innovative mobility credit system
- Tailored services

Occasional
use



A scooter
always
available

A bike ride



Accessories
when
needed



2009 pilot scheme

- Four French cities initially (Lyon, Nantes, Rennes, Brest)
- Further roll-out planned in France and across Europe

AN INDUSTRY BENCHMARK FOR OPERATIONAL EFFICIENCY

Our current situation

- **Positive benefits of CAP 2010 initiative**
- **Lean Manufacturing rolled out in production**
- **5% headcount reduction in H1 09 to adapt to market conditions**

Our priorities

- **Focus on group-wide excellence**
 - Engineering
 - Sales & distribution
 - Support Services
- **Pursue adjustment to European demand level**
 - Plant capacity rationalisation
 - Headcount adaptation
- **Put supplier relations onto a new footing**

A GLOBAL PLAYER

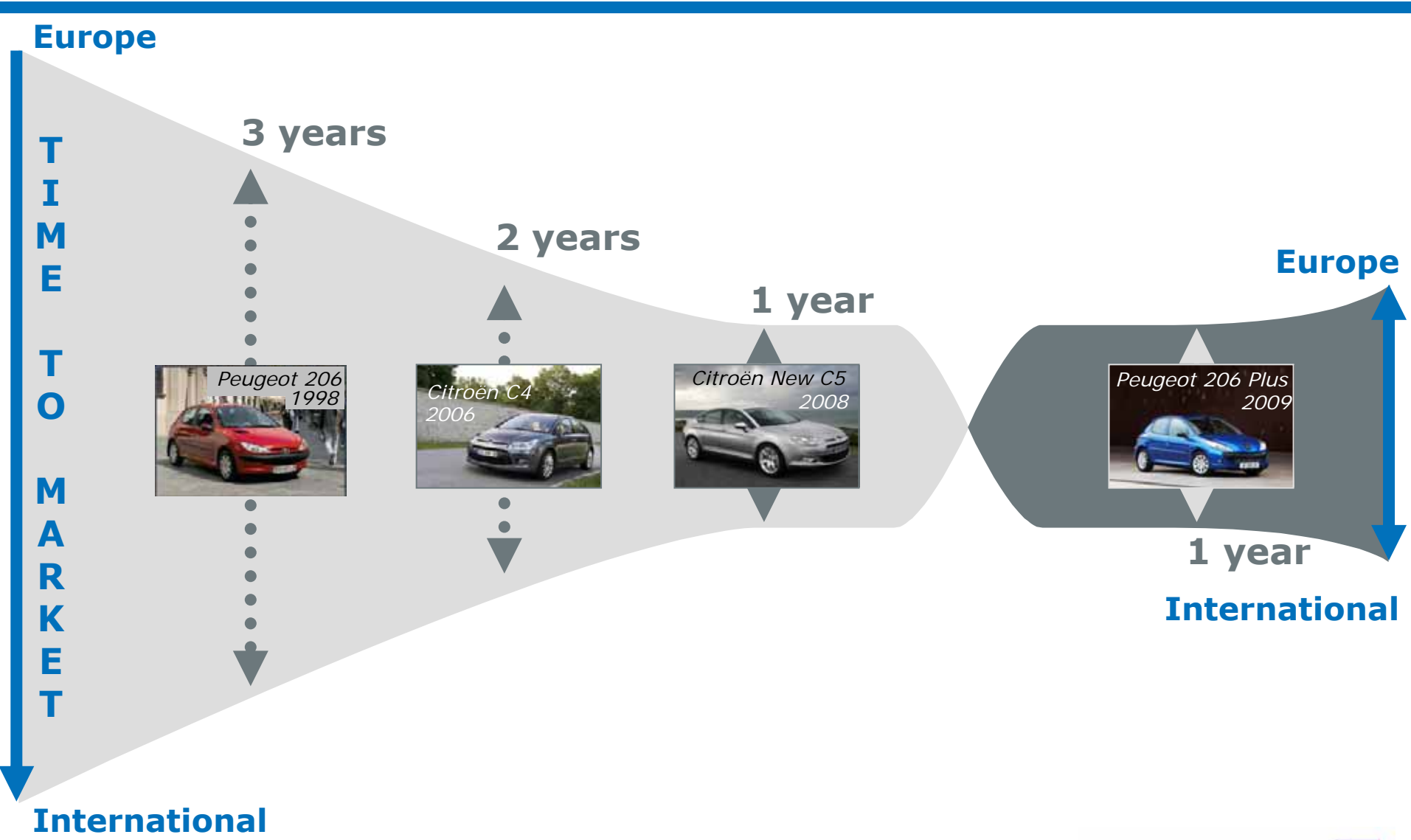
Our current situation

- **34% of sales outside Europe 30**
- **Market share in Latin America 5.3%, China 3.3%**
- **Management too eurocentric**

Our priorities

- **Reach critical mass in Latin America and Asia, especially China**
- **Adapt vehicles fully to non-European customer needs**
- **Reduce time to market outside Europe**
- **Internationalise our management teams**

REDUCE TIME TO MARKET OUTSIDE EUROPE



TO SUM UP

PSA Peugeot Citroën – a step ahead

- **Clean car offer for every customer**
- **New differentiating designs**
- **New mobility and connecting services**