



**PSA PEUGEOT CITROËN**

## **INVESTOR UPDATE**

April, 2010

**Investor Relations**

**James Palmer**

+33 1 40 66 54 59

[james.palmer@mpsa.com](mailto:james.palmer@mpsa.com)

**Jean-Hugues Duban**

+ 33 1 40 66 40 28

[jeanhugues@mpsa.com](mailto:jeanhugues@mpsa.com)

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 annual report available on its Internet website ([www.psa-peugeot-citroen.com](http://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-Citroën.com](http://www.psa-peugeot-Citroën.com)), under Regulated Information.







# Q1 2010 Performance Highlights

- Consolidated revenues **up 27.5%** vs Q1-2009 (+22.8 % like for like)
- Automotive Division revenues **up 22.4%**
- Share of the European car and light commercial vehicle market increased to **14.6%** from 13.5% in Q1-2009
- Success of the new Citroën C3, Peugeot 3008 and Peugeot 5008
- Signs of an upturn in the European light commercial vehicle market (**up 6%**), where the Group strengthened its leadership with a **22.7% share**
- Sustained recovery at Faurecia, with revenue **up 59.5%** (32.2 % like for like)



# YTD Operating Highlights

- **New Peugeot brand image**

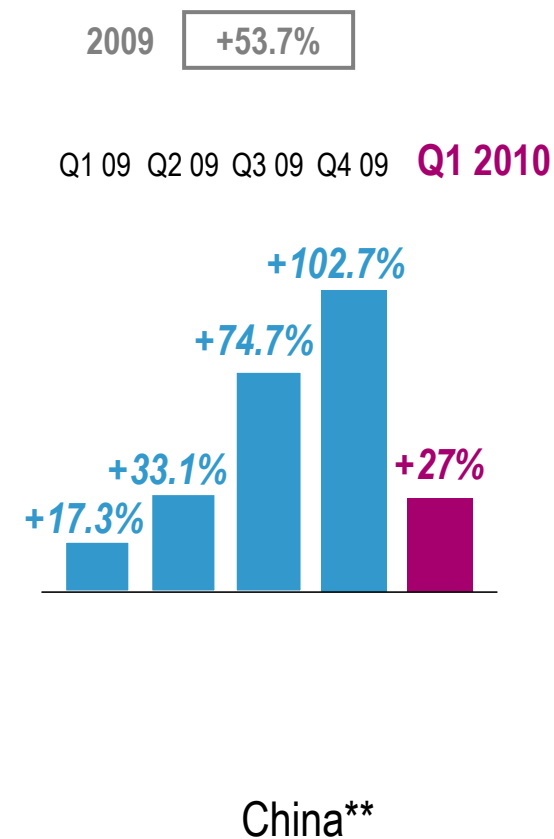
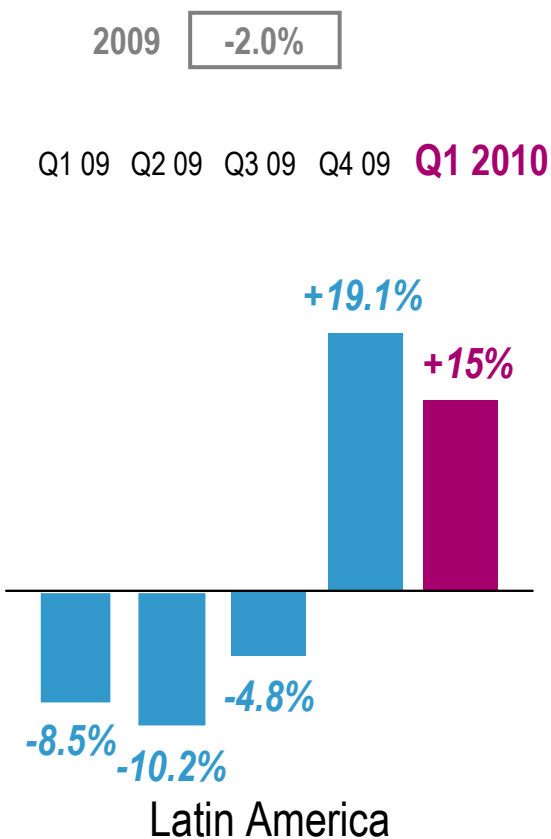
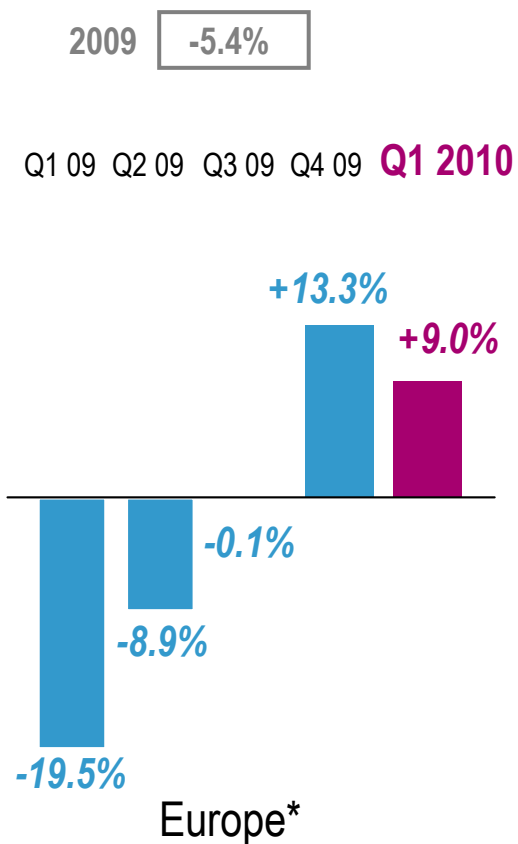


- **PSA – BMW cooperation renewed for next generation of 4 cylinder petrol engine**
- **€530 million investment in Brazil to develop products & operations**
- **€175 million investment to produce new 3-cylinder turbo petrol engine in France**
- **€1.8 billion of financing secured for Banque PSA Finance**
- **Assembly of Peugeot 308 started at Kaluga plant, Russia**



# Market trends

## Cars and light commercial vehicles – Market



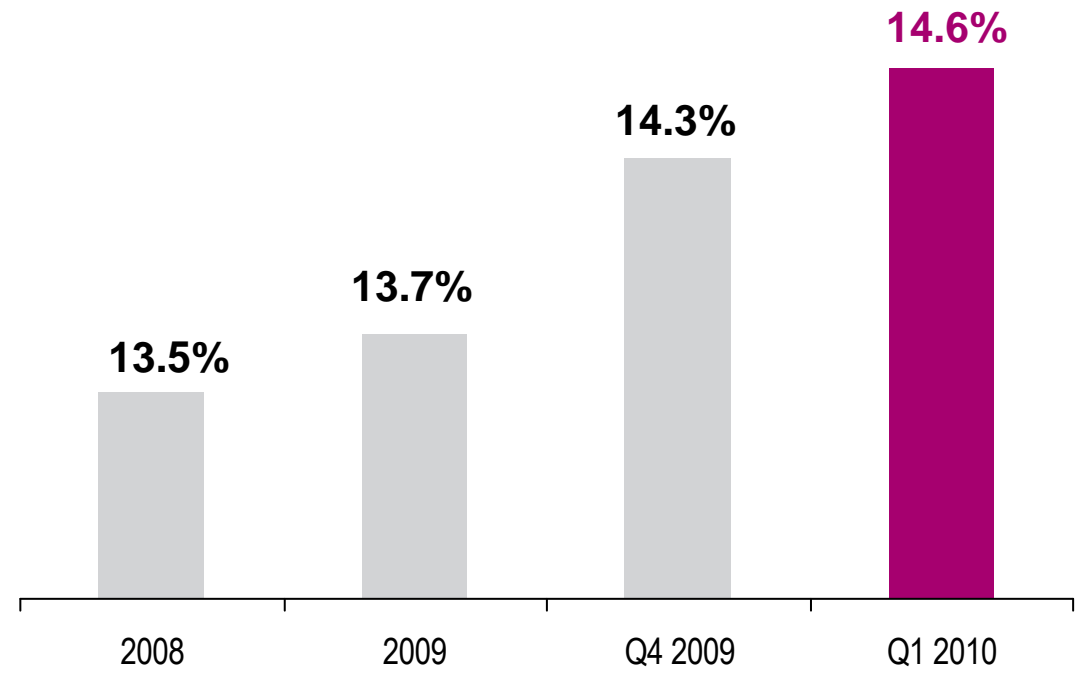
\* Europe = EU + EFTA + Croatia \*\*Only cars





# Market share

**Market share momentum in Europe 30**



# New model momentum

2009

Peugeot 3008



Peugeot 5008



Citroën C3 Picasso



New Citroën C3



2010

Peugeot RCZ



Peugeot Hoggar



Citroën DS3



Peugeot 408 China



Citroën C5 China





# New concept momentum

5 By Peugeot



Peugeot SR1



A step ahead  
at Geneva

Citroën DS High Rider



Citroën Survolt



# Looking ahead

- Order books remain solid
- Benefits expected from Q1 model launches
- Further new model momentum in H2
- Electric vehicle launches in H2
- Adjustment of production to optimise inventory levels in potentially difficult H2
- Benefits of performance plan feeding through

Peugeot i0n



Citroën C-Zéro



## Market assumptions

- Europe: down 9%
- China: double digit growth
- Latin America: high single digit growth

## Objectives

- Significant Group recurring operating income in H1
- Positive Automotive recurring operating income in H1





PSA PEUGEOT CITROËN

# Q1 2010 REVENUES



# First quarter revenues

<i>In million euros</i>	Q1 - 09	Q1-10	Change 10/09	like for like 10/09
Automotive	8 678	10 619	+22.4%	+22.4%
Faurecia	2 008	3 202	+59.5%	+32.2%
Gefco	664	842	+26.7%	+26.7%
Banque PSA Finance	462	457	-1.1%	-1.1%
Other businesses and intra-company eliminations	(839)	(1 135)	-	-
<b>Total revenues</b>	<b>10 973</b>	<b>13 986</b>	<b>+27.5%</b>	<b>+22.8%</b>



# Automotive: Worldwide unit sales

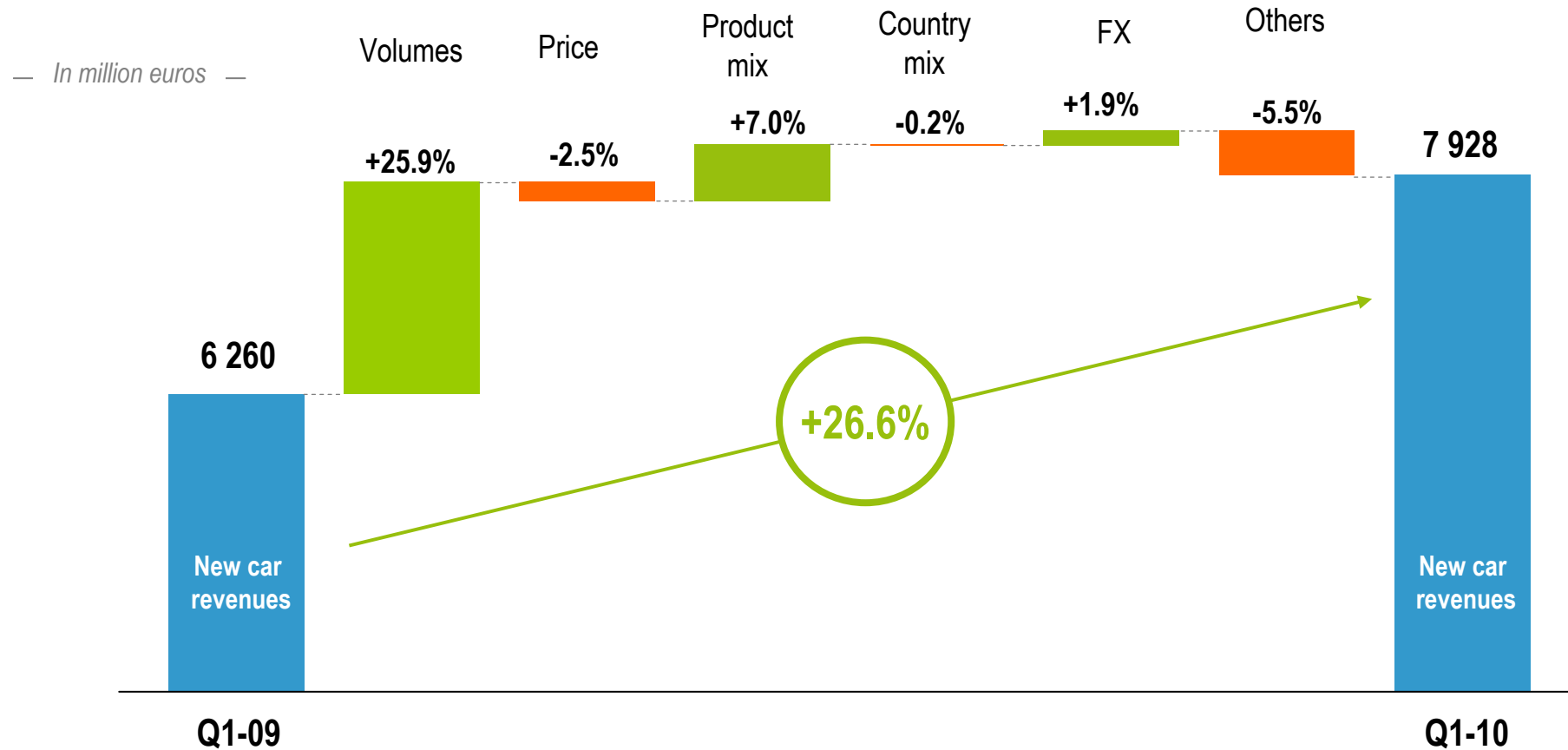
## Assembled vehicles and CKD units

<i>In K units</i>	Q1 - 09	Q1-10	Change 10/09
Europe	475	607	+28.0%
Russia	13	8	-39.2%
Latin America	50	60	+20.2%
Rest of the world	29	38	+30.3%
<b>Assembled vehicles (excluding China)</b>	<b>567</b>	<b>714</b>	<b>+25.9%</b>
China	52	89	+70.1%
<b>Total assembled vehicles</b>	<b>619</b>	<b>803</b>	<b>+29.6%</b>
Total CKD	93	111	+19.1%
<b>Total assembled vehicles + CKD units</b>	<b>713</b>	<b>914</b>	<b>+28.2%</b>





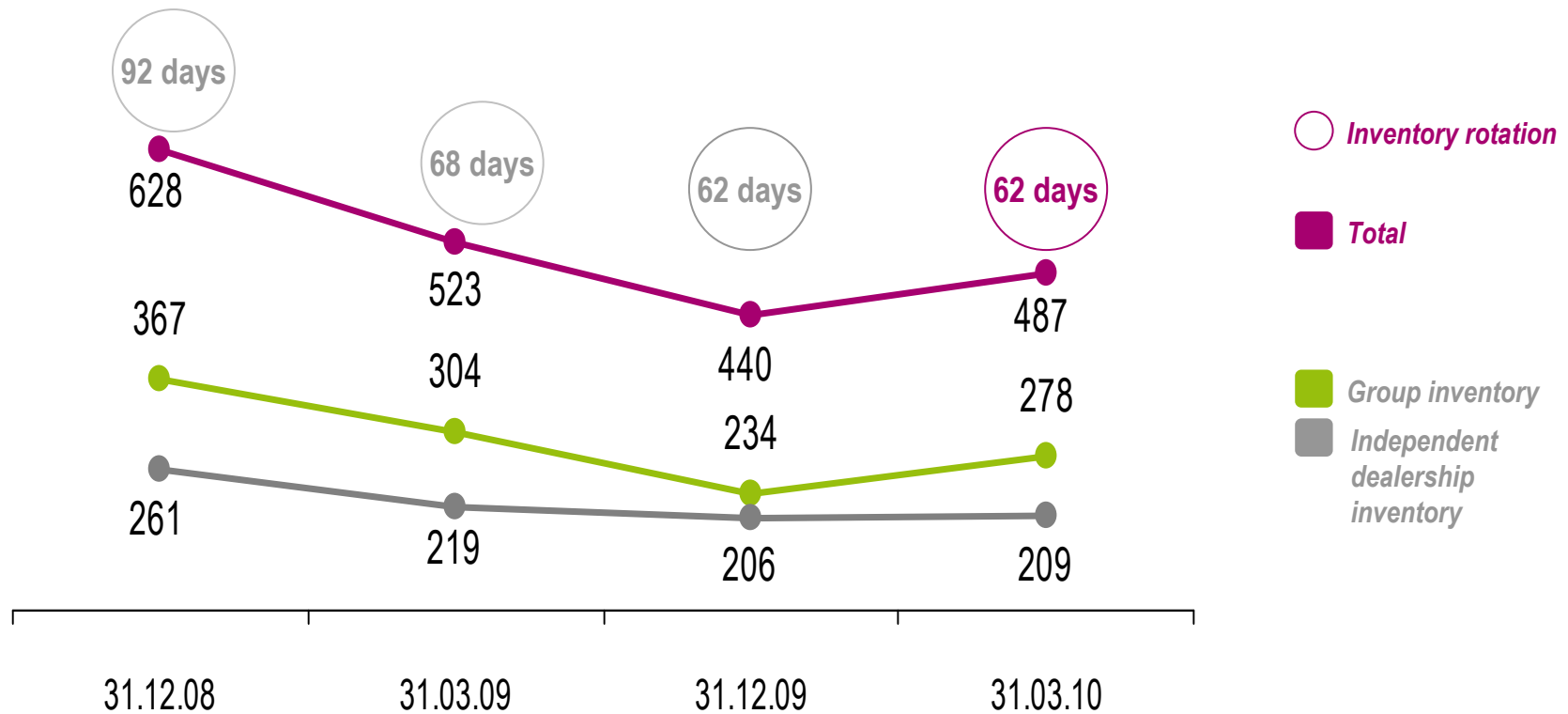
# New car revenue analysis



# Inventory

> Inventory rotation on target  
> Maintained at 62 days

— In thousands of new vehicles —



- > Revenues +59.5 % following Emcon acquisition
- > Sustained recovery with revenue up 32.2% like for like

<i>In million euros</i>	Q1 - 09	Q1-10	Change 10/09	Like for like
Automotive Seating	778	1 062	+36.5%	+36.7%
Interior Systems	454	670	+47.6%	+46.3%
Emissions Control Technologies Systems	190	563	+196.3%	+46.1%
Automotive Exteriors	181	239	+32.0%	+32.9%
<b>Total Product revenues</b>	<b>1 603</b>	<b>2 534</b>	<b>+58.1%</b>	<b>+40.7%</b>
Monolith revenues	184	487	+164.7%	+26.6%
Development, Tooling & Prototype revenues	221	181	-18.1%	-23.8%
<b>Total revenues*</b>	<b>2 008</b>	<b>3 202</b>	<b>+59.5%</b>	<b>+32.2%</b>

\*Since 1 January 2010, Faurecia has consolidated Emcon, which contributed €533m for the period





> Revenue up 26.7 % driven by Automotive market

<i>In million euros</i>	Q1 - 09	Q1-10	Change 10/09
PSA Peugeot Citroën	402	556	+38.3%
Third parties	262	286	+9.9%
<b>Total revenues</b>	<b>664</b>	<b>842</b>	<b>+26.7%</b>



- > Slight decline (-1.1%) in Q1 revenues linked to lower interest rates
- > Total outstanding loans up 3.2 %

<i>In million euros</i>	Q1 - 09	Q1-10	Change 10/09
Revenues	€462 mn	€457 mn	-1.1%
Total outstanding loans <i>(end of period)</i>	€22.2 bn	€22.9 bn	+3.2%
Number of new contracts <i>(lease and financing)</i>	216 000	218 000	+0,9%





## 2009 Financial Results



# Highlights of 2009

- New organisation established with priorities and performance plans clearly set
- Increased market share in a tough environment
- Turnaround at Faurecia, robust performance at Gefco and Banque PSA Finance
- Positive recurring operating income in H2 2009
- Free cash flow generation +€809m, with robust financial position



# Group results

> **Positive recurring operating income in H2**

<i>In million euros</i>	2008	H1	H2	2009
Revenues	54 356	23 497	24 920	48 417
<b>Recurring operating income/(loss)</b>	<b>550</b>	<b>(826)</b>	<b>137</b>	<b>(689)</b>
% of revenues	1.0%	-3.5%	0.5%	-1.4%
Non-recurring operating income and (expenses)	(944)	(506)	(221)	(727)
<b>Operating income/(loss)</b>	<b>(394)</b>	<b>(1 332)</b>	<b>(84)</b>	<b>(1 416)</b>
Net financial income (expenses)	(286)	(226)	(294)	(520)
Income taxes	103	470	119	589
Share in net earnings of equity affiliates	57	24	49	73
Consolidated Net Profit/(loss)	(520)	(1 064)	(210)	(1 274)
<b>Net Income/(loss), Group share</b>	<b>(363)</b>	<b>(962)</b>	<b>(199)</b>	<b>(1 161)</b>
Earning per share (in euros)	(1.60)	(4.24)	(0.88)	(5.12)



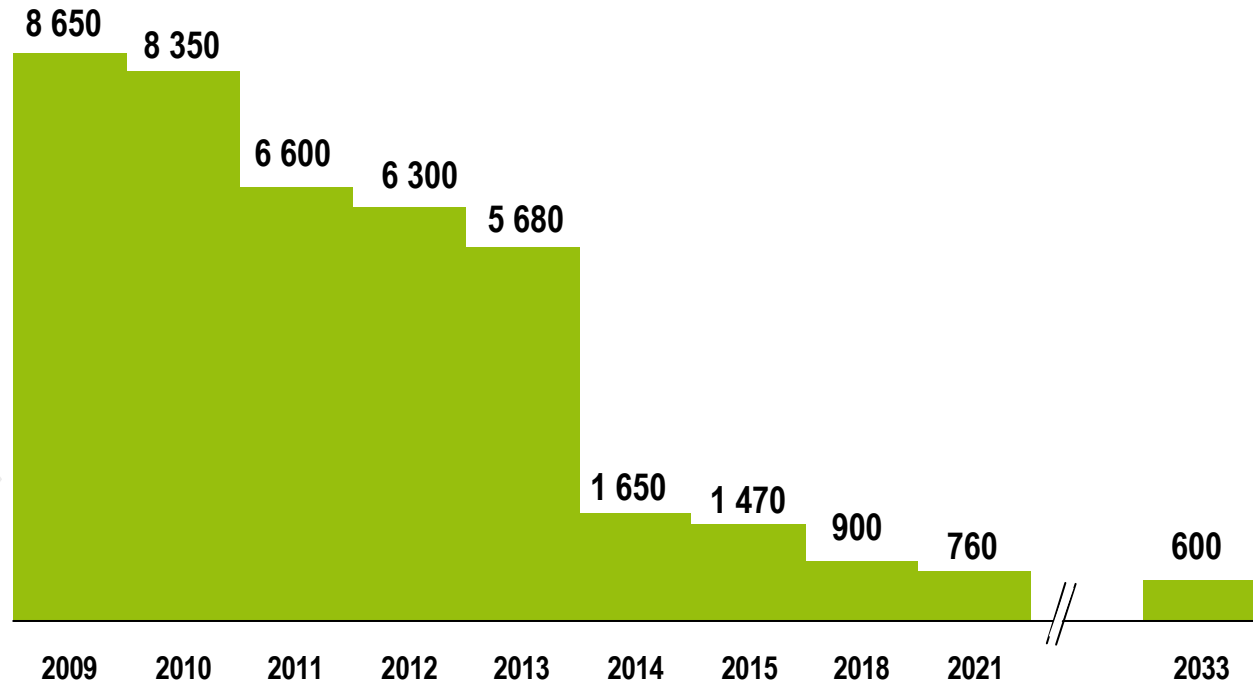
# Solid financial structure

- > Significant liquidity headroom
- > Limited maturities for next 4 years

**Gross debt at 31.12.09**  
*excluding BPF & Undrawn credit-line*

— In million euros —

**Net debt €1 993m**  
**at 31.12.09**



\*Absolute debt amounts (ie not including accrued interest)





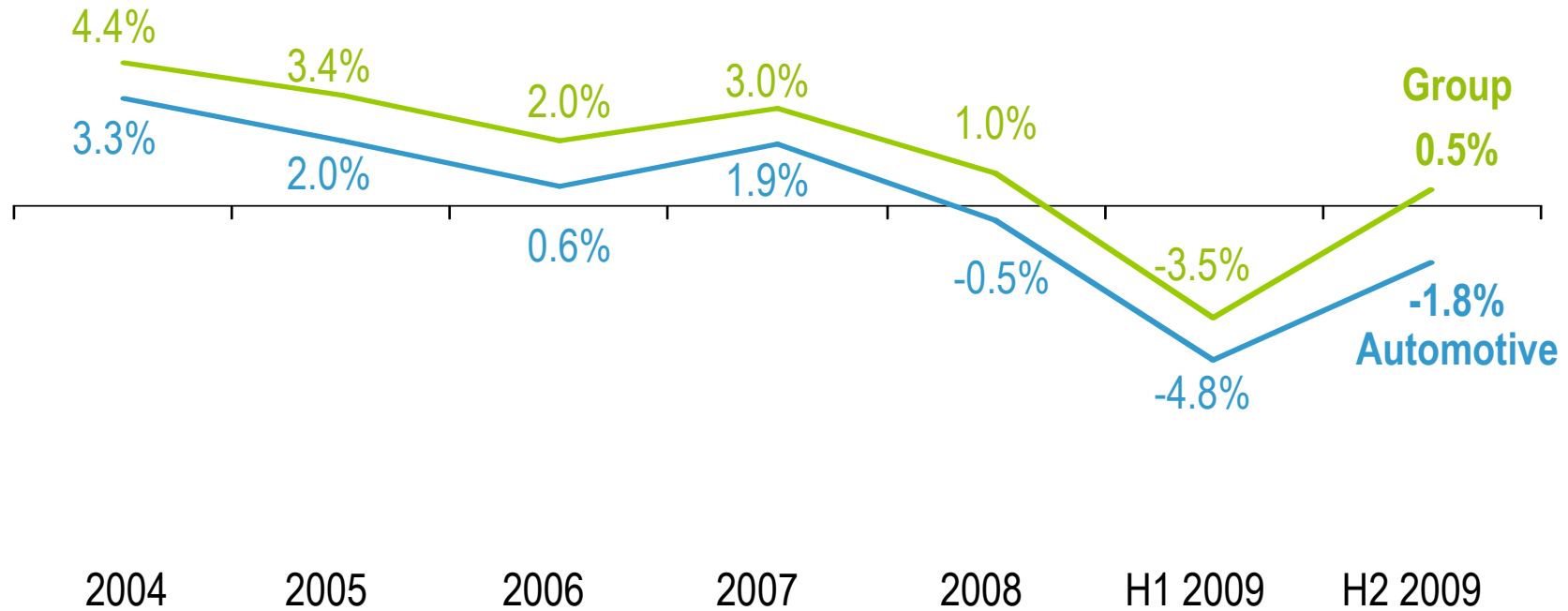
## Performance Plan



# Group margin performance

- > Group: Return to positive margin in H2 2009
- > Automotive: Corner turned but some way to go

Group and Automotive recurring operating margin %



## Our ambitions

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

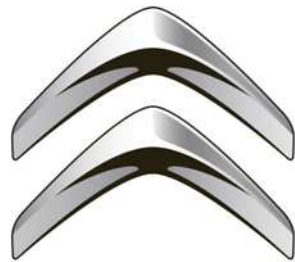
30% Sales & Marketing

15% High growth markets

55% Production,  
Development & SG&A



**Clear and distinct brand identities**



**CITROËN**  
CRÉATIVE TECHNOLOGIE



**PEUGEOT**  
MOTION & EMOTION



# Sales & Marketing

2009

Peugeot 3008



Peugeot 5008



Citroën C3 Picasso



New Citroën C3



2010

Peugeot RCZ



Citroën DS3



PEUGEOT  
MOTION & EMOTION



CITROËN  
CRÉATIVE TECHNOLOGIE

New model momentum



# Sales & Marketing

2009

- 750 000 vehicles sold in Europe <120g CO<sub>2</sub>/km

2010

- 800 000 vehicles sold in Europe <120g CO<sub>2</sub>/km

- 99g diesel engine (207, C3)

- Stop & start

Environmental leadership

- Electric vehicles

Citroën Berlingo First Electric



Peugeot iOn



Citroën C-ZERO



- Present first diesel hybrid Peugeot 3008 Hy4





**2009**

- 315 000 maintenance contracts sold

**2010**

- 370 000 maintenance contracts targeted

**Innovative  
customer services**



- Successful Mu by Peugeot pilot schemes in France



- Roll out of Mu by Peugeot in major European cities

- Launch Citroën mobility offer



# High growth markets

**2009**

**2010**

## China

- Market share growth in Q4
- New plant opened at Wuhan
- Return to profit

- New model momentum
- Market share increase
- Develop technical centre

## Latin America

- Brazilian market supported by government incentives
- Severe decline of other markets
- Plants restructured

- New model momentum
- Market share increase
- Rebuild profitability

## Russia

- Market share increase by both brands in a market down 50%

- New plant in Kaluga start up end of Q1



2009

Capacity utilisation\*  
& productivity

- 80% capacity utilisation
  - ▶ H1: 70%; H2: 92%
- Rennes downsizing completed

Manufacturing, Development  
productivity

- Average Hours per Vehicle (HPV) reduced by -7% in H2 vs H1

SG&A

- €230m of savings in 2009

\* Hourly capacity x 16 hours x 235 days



## 2010 priorities for non automotive businesses

### Faurecia

- Integrate Emcon & Plastal acquisitions
- Pursue turnaround

### Gefco

- Drive logistics improvement across the Group
- Build performance through “Force 10” efficiency programme

### Banque PSA Finance

- Maintain excellent performance & benchmark cost of risk
- Continue expansion of services across the network





# A global player – external development

**3 conditions**

**Strategic alignment**

**Value creation**

**Independence**

